

INVESTMENTS
FINA 5511 A
Fall 2024

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Office Hours: TBD

Class Meeting: In-person, Wednesday 8:35 AM – 11:25 AM NI 4050

Course Prerequisites: FINA 5502 or FINA 5505

Course Calendar Description: [2024/25 graduate calendar](#)

The analytical foundations and tools necessary for successful decision-making by investment managers and analysts and by individual investors. Includes a significant hands-on component.

Course Description:

This course is designed to provide MBA students with the analytical foundations and practical tools necessary for successful decision-making in the field of investments. It is tailored for future investment managers, financial analysts, and individual investors who seek to deepen their understanding of the investment landscape and enhance their ability to make informed investment choices. Topics include: Investment environment and financial markets. Risk and return. Portfolio theory. Behavioural finance. Valuation of bonds, equities, and options. A significant hands-on component.

Course Learning Objectives:

1. Understand the Investment Landscape
2. Apply Portfolio Theories
3. Develop Analytical Skills for Valuation
4. Enhance Decision-Making Abilities

Norms of Conduct

Punctuality:

As MBA students, you are expected to always behave professionally, including arriving on time and being courteous.

Laptops and Other Portable Devices:

Laptops are permitted for notetaking and class-related activities only.

The use of mobile devices **IS NOT PERMITTED** in this class. It is disruptive to the instructor and class members. If you carry such a device to class, please make sure it is turned off. If an emergency situation requires you to keep it turned on, please discuss this with your instructor prior to class.

Calculator:

Any non-programmable calculators can be used in the quizzes and examination, such as Texas Instruments BA II Plus.

Required Textbook:

Investments by Zvi Bodie, Alex Kane, Alan J. Marcus, Lorne Switzer, Maureen Stapleton, Dana Boyko, Christine Panasian, 10th Canadian Edition, McGraw-Hill, Ryerson, 2022.

Suggested Readings:

A Random Walk Down Wall Street by Burton G. Malkiel.

Security Analysis by Benjamin Graham & David Dodd.

Adaptive Markets: Financial Evolution at the Speed of Thought by Andrew W. Lo.

Financial News/Magazines:

Global focus: Wall Street Journal, The Economist, CNBC, Yahoo Finance.

Canadian focus: The Globe and Mail – Report on Business, The Toronto Star – Business Section, Financial Post, Yahoo Finance Canada.

Details on how to activate **free online subscription access** to the Globe and Mail will be provided in class.

Final Exam Date:

October 16th

Drop Course Policy:

The deadline for academic withdrawal follows the dates prescribed by Carleton University:

<https://calendar.carleton.ca/academicyear/>

Grading Scheme:

Due Date		
Bloomberg Market Concepts	10%	Oct. 11 th
Assignment (Individual)	10%	Sep. 18 th
Term Quiz	15%	Sep. 25 th
Case Analysis (Group)	20%	Oct. 02 nd
Final Exam	45%	Oct. 16 th
TOTAL	100%	

BONUS:

Post-Term Quiz Feedback Survey: 2%

Each component of your grade will be assigned a percentage score. Your final course grade will be a weighted average of each of these components.

Breakdown of evaluation components:

Bloomberg Market Concepts:

To enhance your competitiveness in the job market, I am making it mandatory for all students in this class to complete the Bloomberg Market Concepts (BMC) certification. **This certification is a valuable addition to your CV and will provide you with essential knowledge that is highly regarded in the finance industry.**

To obtain 10% of your final grade, you must complete all four BMC modules and achieve at least a 70% on each module by **Friday, Oct. 11th**. Bloomberg will be emailing me your grades on that date for verification purposes.

To sign up (it's free), please read the BMC instruction document available on Brightspace. Be sure to use our class-assigned group code, "VN73WFCYZ2", when registering.

Assignment (Individual):

The assignment is designed to **prepare you for the term quiz and final exam**; it consists of a set of problems that you will solve and submit.

Details of the assignment will be disclosed in class.

Case Analysis (Group):

The case study will involve the application of key investment concepts, including the Capital Asset Pricing Model (CAPM), portfolio diversification, and risk management strategies. Detailed instructions and analysis requirements will be provided during class.

Term Quiz:

One term quiz will be held in-class, in-person, on-paper, at the beginning of the lecture on **Sep. 25th**. The quiz will cover the first three lectures. More information about the quiz will be provided before the quiz.

Final Exam:

The final exam that covers all lectures will be held on **Oct. 16th**. More information will be provided in class as we progress.

Post-Term Quiz Feedback Survey:

The Post-Term Quiz Feedback Survey is an opportunity for you to share your thoughts on the course so far. Your feedback will help me understand what's working well and what can be improved. By completing the survey, you will earn 2% of your total course grade. Your input is valuable and will contribute to making the rest of the course as effective and engaging as possible. Details will be disclosed in class.

The Class Discussion Board on Brightspace

The discussion board is an essential part of our class where we can all engage in meaningful conversations, ask questions, share insights, and help each other understand the course material better. The guidelines on how to use this space effectively will be disclosed in class.

Email Response Policy

I will do my best to respond to emails sent during business hours (9am-5pm) on the same day. If you email me after hours, I'll reply on the next business day. **Please include the course number in the subject line.** For example: "FINA 5511 - Question on xxx". Please post course-related questions on the Class Discussion Board.

Late Assignments:

Late assignments will be subject to a 10% penalty for each calendar day.

How to Get the Most Out of This Course:

Due to the abstract nature of certain investment concepts, doing well in this course can be challenging but incredibly rewarding. The BMC certification gives you an edge over other job applicants, and the analytical skills you acquire will lay the foundation for professional certifications, including CFA, CAIA, FRM, and others.

To succeed in this course, you will need to **consistently spend 5-7 hours each week reviewing course materials, working on assignments/case studies, and participating in the class discussion board to ask questions**, in addition to attending every lecture. It is absolutely **essential** that you keep up with the assigned readings (see course schedule below).

I am here to enthusiastically answer any and all of your questions in a **timely** manner. Don't hesitate to ask for clarification.

I hope you all will become **more informed and wiser** in making important investment decisions in your professional and personal lives after taking this course.

COURSE SCHEDULE

Day	Topic	Textbook Chapters
Sep. 04	The Investment Landscape Financial Markets, Instruments, and Trading	1, 2, 3
Sep. 11	Risk and Return Capital Allocation Efficient Diversification	5, 6, 7
Sep. 18	Index Models The Capital Asset Pricing Model (CAPM) Assignment Due	8, 9
Sep. 25	Arbitrage Pricing Theory (APT) Market Efficiency Behavioural Finance Empirical Evidence Term Quiz (at the beginning of lecture)	10, 11, 12, 13
Oct. 02	Fixed-Income Securities Case Analysis Due	14, 15, 16
Oct. 09	Options Bloomberg Market Concepts Due on Oct. 11th	20, 21
Oct. 16	Final Exam	

Contribution to Program Learning Goals ([MBA](#)):

MBA Learning Goal	Not Covered	Introduced	Taught but Not Assessed	Taught <u>and</u> Assessed
MB1 Leadership and Collaboration <i>Graduates will be equipped for leadership and collaboration.</i>				✓
MB2 Communication <i>Graduates will be effective communicators</i>				✓
MB3 Critical Thinking and Problem Solving <i>Graduates will be skilled in critical thinking and problem solving.</i>				✓
MB4 Functional Knowledge <i>Graduates will have functional knowledge of all areas of business.</i>				✓
MB5 Global Business <i>Graduates will have an appreciation of the global environment of business.</i>		✓		
MB6 Ethical Reasoning <i>Graduates will be skilled in ethical reasoning and decision-making.</i>		✓		

ADDITIONAL INFORMATION

Course Sharing Websites:

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Recommended Calculator for Examinations:

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group Work:

The Sprott School of Business encourages group assignments. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, followership and other group skills. Group assignments are also an effective way to learn integrative skills for putting together a complex task. Your professor may assign one or more group tasks, assignments, or projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

Peer Evaluation for Group Work

To deter social loafing and ensure fairness in grading, you will be asked to assess the contribution of your fellow group members. This information will be used when assigning the grade for the final project. The procedure is as follows: Each student should take 100 points and allocate those points to the various members of the group (including him/her/themselves) to reflect the contributions made by each member. For instance, if there are four members in a group and everyone contributed equally, each individual would receive 25 points. Conversely, if an individual contributed relatively little, the remaining group members might allocate few points to that member. To ensure that these peer evaluation scores are reasonable and free from personal bias, you will be asked to provide a detailed written explanation for your point allocation.

Letter Grades:

In accordance with the Carleton University Undergraduate Calendar (p. 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100 B+ = 77-79 C+ = 67-69 D+ = 57-59 F = Below 50
A = 85-89 B = 73-76 C = 63-66 D = 53-56

A - = 80-84 B - = 70-72 C - = 60-62 D - = 50-52

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations:

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<https://calendar.carleton.ca/grad/gradregulations/>

Requests for Academic Accommodation:

Carleton is committed to providing academic accessibility for all individuals. You may need special arrangements to meet your academic obligations during the term. The accommodation request processes, including information about the *Academic Consideration Policy for Students in Medical and Other Extenuating Circumstances*, are outlined on the Academic Accommodations website (students.carleton.ca/course-outline).

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

- **Pregnancy**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: <https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>

- **Religious Obligations**

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: <https://carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf>

- **Students with Disabilities**

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. <https://carleton.ca/pmc/>

- **Survivors of Sexual Violence**

As a community, Carleton University is committed to maintaining a positive learning,

working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: <https://carleton.ca/sexual-violence-support/>

- **Student Activities**

Carleton University recognizes the substantial benefits, to both the individual student and the university, that result from participating in activities beyond the classroom experience.

Reasonable accommodation will be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: <https://students.carleton.ca/course-outline/>

Academic Integrity:

Violations of academic integrity—presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student—are a serious academic offence, weaken the quality of the degree, and will not be tolerated. Penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others.

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at:

<https://carleton.ca/registrar/academic-integrity/>

Centre for Student Academic Support:

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at:

<https://carleton.ca/csas/>

Other Important Information:

- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean's approval.
- For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton email account. If you do not have or have yet to activate this account, you can do so by visiting <https://carleton.ca/its/get-started/new-students-2/>