

## General Course Information

**Course Title:** FINA 5511 Investments

**Credit Weight:** 0.25 credits

**Prerequisites:** FINA 5502

## Course Description

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

## Course Rationale

A rigorous quantitative and qualitative analysis of the money and capital markets is offered, with a primary focus on the North American markets. A detailed examination of the trading process and the function of securities markets are presented. This is followed by exposure to the concepts of risk and return, specifically analyzing the role played in security valuation and in portfolio diversification.

## Course Learning Objectives

After successfully completing this course, you will be able to:

Describe the components of major types of investment vehicles and explain why it is critical to assess performance relative to benchmarks.

Compare the various markets and mechanisms used to trade investment vehicles.

Explain the basic concepts of risk and return as they apply to a portfolio of investments.

Apply the principle of diversification to portfolio composition.

Create, build, and balance risky portfolios.

## Course Schedule

Module	Topics	Materials	Deliverable
1	Investment Environment Financial Markets and Instruments Money Market Fixed Income Equities Derivatives	Chapters 1 & 2, BrightSpace handouts	Quiz 1

Module	Topics	Materials	Deliverable
2	Trading and Securities markets Indices Issuing Securities Trading and Market Orders Regulations	Chapter 3, BrightSpace handouts	Quiz 2
3	Return and Risk Risk Aversion, and Portfolio Mathematics Hedging and Insurance Probability Theory Capital Allocation to Risky Assets	Chapters 4 & 5, BrightSpace handouts	Quiz 3
4	Risky Portfolios Risky Portfolios and the Risk-Free Asset Efficient Allocation CAPM & Empirical CAPM Market Efficiency Technical/Fundamental analysis	Chapters 6, 7 & 9, BrightSpace handouts	Quiz 4  Quiz 5
5, 6	Bonds Prices and Yields Term Structure Duration /convexity portfolio	Chapters 12, 13 & 14, BrightSpace handouts	Quiz 6  Quiz 7

sample

## Learning Materials

### Textbook

#### SUGGESTED TEXT:

Bodie et al., *Investments*, 10<sup>th</sup> Canadian Edition, McGraw-Hill, Ryerson, 2022.

#### ADDITIONAL SUGGESTED TEXTS/READINGS:

Graham, B., *The Intelligent Investor*

Graham, B., *Security Analysis*

Malkiel, B., *A Random Walk Down Wall Street*, Norton.

Newspapers/Magazines: *Globe and Mail – Report on Business, Financial Post, Wall Street Journal, Barrons, The Economist* [If you are using a textbook, provide the relevant information here.]

## Other Resources

All course information, handouts, grades, announcements, and other deliverables will be placed on BrightSpace. It is your responsibility to ensure that you have access. In order to log on to the course page, you need to first be formally registered in 5511. Please check it regularly

### Grading Scheme

Activity	Scored Out of	Percent of Total Grade
Quiz 1	10	
Quiz 2	10	
Quiz 3	10	
Quiz 4	10	
Quiz 5	10	
Quiz 6	10	
<b>TOTAL</b>		100%

### Quiz Rules

Note that each quiz will allow for two attempts, both fully open-book. However, note that all quizzes are to be completed individually, with no communication with others.

The first attempt (a) will be at the start time indicated above and last approximately 20-30 mins once opened. The quiz will close at the time indicated above. The second attempt (b) will be optional, but will need to be completed by xx:xx the following day, the same amount of time, and **MUST BE ACCOMPANIED** by your handwritten solutions via PDF upload – information to follow.

If you choose to write the second attempt, then the weightings of the two quizzes will be 70/30, 70% weighting on the first attempt, 30% on the second. If you forego the second attempt, your first attempt will be weighted 100%.

**You must complete attempt (a) of each quiz in order to receive any grade – completing only attempt (b) will generate a 0%.**

All quizzes and the exam will be administered on Brightspace and all are open-book. **You are unable to communicate with your classmates during the quizzes and the exam**, and unable to seek help from any external individuals or websites like ChatGPT or Bard (please familiarize yourself with the Academic Integrity Policy of Carleton University). The questions are uni-directional, you cannot go backwards

Requests for extension without penalty will be considered in cases of illness, family emergency, or other exceptional circumstances.