



Course Information	
Course Title : FIN204 <b>Investment and Portfolio Management</b>	Semester: Summer 2019
<p><b>Class Hours:</b> Monday through Friday, 180 minutes each day, for three weeks. At the end of each week there will be a one -hour discussion session; the Instructor will also be available by appointment.</p>	
<b>Discussion Section:</b> 1 hour each week	<b>Field Trip:</b> According to professors' teaching plan
Textbooks and Reference	
<p>Required Text:</p> <p>Z. Bodie, A. Kane, and A. Marcus, <i>INVESTMENTS</i> - 11<sup>th</sup> Edition (McGraw-Hill, 2018).</p>	
Course Outcomes	
<ul style="list-style-type: none"> <li>• Comprehension of the major forms of financial investment, such as equities, bonds, commodities, gold, currency, real estate, collectibles, and alternative investment vehicles (among other forms).</li> <li>• Knowledge of what securities markets are and how they function</li> <li>• Understanding of how investors manage their investments in terms of a portfolio of choices designed to maximize returns and minimize risk</li> <li>• Knowledge of modern portfolio theory and asset allocation</li> <li>• Insight into newer and more exotic forms of investment vehicles such as derivatives, futures, and options and their role in portfolio management</li> <li>• Understanding of the fundamental regulations and rules that govern investment and how these rules are converging across nations due to globalized capital flows</li> </ul>	
Course Description	
<p><i>Investment and Portfolio Management</i> is an undergraduate business school course designed to introduce the student to the fundamentals of investing in today's increasingly sophisticated and globalized financial markets. The central concept of the course is understanding the relationship between investment risk and return, and how investors can obtain superior outcomes through asset allocation strategies. Students will also learn how to analyze financial statements. As well, the course will cover the role of financial markets, their function and regulation, and their role in investment strategy.</p>	



This course will utilize lecture/discussion from the Instructor, in-class exercises, and presentations of assignment from the text. No prior knowledge of investment theory is required for this course, but a basic understanding of economic theory and the use of quantitative analytical methods and tools should prove useful.

Weekly Schedule (July 1 <sup>st</sup> -July 19 <sup>th</sup> )		
Week	Day	Topic
1	1	Chapters 1-4: The Investment Environment – Asset classes; how securities are traded; mutual funds and their role. Alternative investment classes.
	2	Chapters 5-6: Portfolio theory and practice
	3	Chapters 7-8: Risk and return; index models of investment
	4	Chapter 9-13. Investment theory: capital asset pricing model (CAPM); efficient market theory. “Behavioral finance” and technical analysis debate
	5	Review of key concepts covered in Week 1 by the Instructor;  <i>WRITTEN ASSIGNMENT DUE</i>
2	1	Chapters 14-16: Fixed-income securities. Bonds: prices and yields; term structure; the “yield curve”. Managing bond portfolios
	2	Chapters 17-19: Securities analysis: equity valuation models; analyzing financial statements.
	3	Securities analysis (Chapters 17-19, continued) <i>GROUP CASE PRESENTATION</i>
	4	Chapters 20-23: Options, futures, derivatives and their markets. “Alternative Investments and their role in investment portfolios.
	5	<b>IN-CLASS MID-TERM EXAM TODAY</b>
3	1	Chapter 24: Applied portfolio management
	2	Chapters 25-26: International investment diversification. Hedge funds and their role in portfolio management
	3	Chapter 27: Active portfolio management theory
	4	Course Review – led by the Instructor
	5	<b>IN-CLASS FINAL EXAM ADMINISTERED TODAY</b>

**Grades are based on the following breakdown:**



Attendance/Participation:	10%
Mid-Term Exam:	30%
Group Case Presentation:	15%
Written Assignment:	15%
Final Exam:	30%
<b>Total</b>	<b>100%</b>

### **Homework, Class Attendance, and Participation:**

Students are required to attend all classes and participate actively. Students should treat their classroom obligations as they would treat any serious professional engagement. Your participation grade (10% of the total course grade) will be based on the instructor's assessment of how well you contribute to classroom dynamics relative to your class peers; each class member is expected and encouraged to contribute to the dialogue or discussion.

It is important that you read the assigned readings as background information on the issue/topic *before* each class session. The classroom will provide you an opportunity to present your views and opinions on the topics under discussion, and to help you refine your knowledge and perspective of cross-border management based on these interactions.

*Please note the following:* In case of an absence, the student is responsible for the materials and assignments for that class; it is the student's responsibility to contact the course Teaching Assistant regarding absences and assignments that are missed. Students must submit a one-page write-up summarizing any assigned textbook chapter reading for each missed session; this will be due within one week of the missed session. Unexcused absence from five or more scheduled class sessions (which is a total of 33% of this course) will be *grounds for failure*. If you do have to miss class due to a personal emergency, please let the Teaching Assistant know as soon as possible. Such emergencies will be dealt with on a case-by-case basis.

Participation grades will be based on quality (in-class performance that reflects intellectual depth, insightfulness, and contribution to class learning) and quantity (consistency and regularity of performance). Quality counts more. However, one cannot make quality comments without at least some degree of participation, so in this respect quantity will have some weight. But do keep in mind the following when considering your participation in class discussions: sometimes it's better to remain silent and have others think you are unprepared or a bit dim, rather than speaking out and confirming those suspicions....

Accordingly, you are expected to come fully prepared and ready to participate for every class. Be prepared to be called upon to "open" a class discussion by presenting your full analysis and thoughts on the assigned topic at the start of class, or to be asked through a "cold call" for comment in the midst of the discussion.



The grading of class participation is necessarily a subjective exercise. However, high-quality comments have one or more of the following characteristics: **(1) insightfulness, (2) appropriate application of course concepts, and (3) advancement of the in-class discussion at hand.** Some specific criteria for evaluating discussion contributions are:

- Does the student demonstrate an eagerness to participate?
- Is the student a good listener? Does he/she build on others' comments?
- Is the student willing to interact with other class members?
- Are the points made relevant to the discussion? Are they linked to others' comments?
- Do comments demonstrate evidence of in-depth analysis of the case?
- Do comments add to our understanding of the situation?
- Do comments make a substantive contribution to the advancement of our analysis?
- Is there a willingness to test new ideas, or are the comments "safe?"
- Do comments show an understanding of concepts or analytical techniques properly applied to the current situation?
- Is the student presenting insightful quantitative analysis (when required)?
- Is the student demonstrating ethical considerations and insights?

## **EXAMINATIONS**

An in-class mid-term examination will be administered during the end of Week 2, and an in-class final examination will be administered at the end of the course. Details of content, exam format, etc. will be announced in class well before the examination dates.

## **ONE-PAGE WRITTEN ASSIGNMENT**

Each student must submit a one-page written paper (500-word length maximum) at the end of the first week, on a given question (drawn from a set of alternatives) provided by the instructor. The questions for the paper will be provided on the first day of class.

## **GROUP CASE PRESENTATION**

Students will be assigned to a small group and each of these groups will make an in-class presentation of a case taken from the textbook. Details of the issues to be examined and expectations of the presentations (e.g., length, format) will be provided in class.

Upon completion of this course, you receive a final grade. A final grade is a letter grade that carries with it a numerical value, as outlined below.



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Grade	Percentage
A	80-100
B	70-79
C	60-69
D	50-59
E	0-49

### **Academic Integrity**

The academic ethics codes of the school are applied in this class. Any egregious violations of the code, such as cheating on examinations or submitting written work that is not original with the student, will be grounds for failure in this course. You may consult with appropriate university officials for details regarding the code.

### **Disability accommodation**

Any student who needs special accommodation due to the impact of a disability should contact the instructor and/or the university within the first week of the class.