

# Course Outline

<b>Course Code</b>	RSM 336H1F
<b>Course Name</b>	Investments
<b>Term, Year</b>	Fall, 2022
<b>Course Schedule</b>	L0101 Fr 10-12 p.m. – WO 35 L0201 Fr 1-3 p.m. – WO 25 L0301 Fr 3-5 p.m. – WO 25
<b>Web page URL</b>	<a href="https://q.utoronto.ca">https://q.utoronto.ca</a>

## Instructor Details

Name	Email	Phone	Office Hours
Bing Han	<a href="mailto:Bing.Han@Rotman.Utoronto.Ca">Bing.Han@Rotman.Utoronto.Ca</a>	416-946-0732	Tuesdays 12:00pm-1:30pm

Professor Bing Han holds a Ph.D. in Mathematics from the University of Chicago and a Ph.D. in Finance from UCLA. His research focuses on investment, asset pricing and behavioral finance. He has previously taught both undergraduate and graduate courses at the University of Chicago, Ohio State University, and University of Texas at Austin. He has also worked for J.P. Morgan and served on the advisory board of a multi-billion hedge fund.

Teaching Assistants: Lorna Zhong, [lorna.zhong20@rotman.utoronto.ca](mailto:lorna.zhong20@rotman.utoronto.ca)  
Mia Hua, [dianyin.hua@mail.utoronto.ca](mailto:dianyin.hua@mail.utoronto.ca)  
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Tutorials: Weekly TA office hours (Mon, Wed, Thursday) and several tutorials (TBA)

## Course Scope, Mission and Learning Outcomes

RSM 336H1 explores the theoretical framework and real-world practice of investments and portfolio management. The course is intended for students who want to become investment professionals, knowledgeable individual investors, or both. The course will cover a wide range of topics such as risk and return trade-off, asset pricing models, mutual funds, hedge funds, investment strategies, market efficiency, investor behavior, factor investing, performance evaluation, fundamental and technical analysis of stocks, term structure of interest rates and bond portfolio management. Wherever appropriate, this course will provide a global perspective to investing and incorporate the latest research in Behavioral Finance to help students understand influences of psychological biases in investment. Students will have an opportunity to put course concepts into practice by managing a live portfolio using Rotman Portfolio Manager (RPM) and resources available in the Rotman BMO Financial Group Finance Research and Trading Lab.

Learning outcomes:

- Understand risk and return profiles of major investments and sources of their risk premiums
- Understand bad times and risk-return trade-off in investment choices
- Understand investment behavior of various classes of market participants

- Understand price efficiency in the financial market and behavioral biases of investors
- Master various portfolio optimization techniques
- Ability to construct advanced portfolio strategies including options
- Ability to evaluate money managers

## Course Prerequisites

Prerequisite: RSM230H1, RSM332H1

Corequisite: ECO220Y1/ ECO227Y1/( STA220H1, STA255H1)/( STA237H1, STA238H1)/( STA257H1, STA261H1) *If you drop the co-requisite course during the academic term, you must also drop this course. Contact Rotman Commerce Academic Services for academic advising if needed.*

## Course Materials

### Required Readings

Z. Bodie, A. Kane, A. Marcus, L. Switzer, M. Stapleton, D. Boyko, C. Panasian, *Investments*, 9th Canadian Edition. March 21, 2019. ISBN-10: 1259271935 ISBN-13: 9781259271939

## Evaluation and Grades

Grades are a measure of the knowledge and skills developed by a student within individual courses. Each student will receive a grade on the basis of how well they have command of the course materials, skills and learning objectives of the course.

Work	Percentage of grade	Due Date
Homework	7%	Ongoing
Mid-Term Test	25%	October 21, 2022
Video	10%	November 3, 2022
Group Presentation	8%	December 2, 2022
Investment Project Report	10%	December 7, 2022
Final Term Test	40%	TBA

## Course Format and Expectations

### *Homework (Individual)*

Homework sets and solutions will be posted on the Quercus <https://q.utoronto.ca>. Each student is required to turn in homework individually and upload via Quercus for grading. Doing homework problems is an important step in preparing for the tests.

### *Video Assignment (Individual)*

This Assignment is intended to help you develop your communication skills. You will be required to create a 5-minute video in which discussing your investment philosophy, strategies and plans. You will be evaluated by your ability to analyze financial topics and to communicate your ideas orally. Increasingly, the ability to communicate well by video is a key professional skill.

This individual video project uses Comunicado, an online platform developed by Rotman <https://rotmancommerce.comunicado.ca/#/> Details about the video assignment will be posted on the course website.

Support is available through the RC Centre for Professional Skills (CPS) for students who would like help or feedback on their writing or speaking (presentations). CPS offers both individual and group appointments with trained writing instructors and presentation coaches who are familiar with the RC program and common types of business assignments. You can also access your college Writing Centres for help with written assignments.

You can [book an appointment with a writing or presentation coach](#) through the RC Centre for Professional Skills Writing Centre. For more information about writing centres, student supports, and study resources, see the [Writing and Presentation Coaching academic support page](#).

### *Group Investment Project using RPM*

The goal of this project is for students to get hands-on experience in applying concepts learned in this course to the management of a portfolio. Students will use the resources of the Rotman Finance Lab, as well as other sources of information, to research, explore and implement investment strategies, and report on their findings. The project is quite flexible, leaving room for creative groups to excel. Your portfolio performance does not affect your grade.

There are two parts to your written project report, one is quantitative, and the other is qualitative. In your written report, you should aim for clarity, strong organization, concision, professionalism, and correct grammar. Further information about the project will be provided in class and posted on the portal.

The project is done in groups. The maximum number allowed for any group is four students and the minimum number is two. Learning to work together in teams is a crucial transferrable skill you will use not only in your coursework, but also in your future careers. Support is available if you encounter common teamwork challenges such as:

- Team members feeling left out of the team.
- Team members not responding in a timely manner to communication.
- Division or quality of work among team members being unequal or unfair.

Consult the [Centre for Professional Skills Teamwork Resources page](#) for tips, strategies, and best practices. You can also [book an appointment with a teamwork mentor](#) through the RC Centre for Professional Skills Writing Centre. Teamwork mentors can help you resolve or mitigate conflict, strategize on planning, or improve team communication.

If you are a student registered with Accessibility Services, and extensions are one of your academic accommodations, consult with your Accessibility Advisor about the teamwork in this course.

### *Class Participation*

Students are expected to prepare thoroughly and make every effort to attend every class. Students who consistently ask/answer questions in class could earn extra participation credit. At the instructor's discretion, **if your overall score is within one point of a cutoff and you have earned enough extra participation credit, you may be bumped up to receive the higher grade.**

### *Missed Tests and Assignments (including mid-term and final assessments)*

Students who miss a test or assignment for reasons entirely beyond their control (e.g. illness) may request special consideration.

In such cases, students must:

1. Notify the instructor AND the Rotman Commerce Program Office **on the date** of the missed course deliverable, e.g. missed test, final assessments, assignment or class (in the case of participation marks).
2. Complete a [Request for Special Consideration Form](#) and submit it along with your Absence Declaration on [ACORN](#) (please read the instructions on how to use the Absence Declaration in ACORN) within **2 business days** of the originally scheduled course deliverable.

Students who do not provide this information will be given a grade of 0 (zero) for the missed course deliverable.

*Students who miss the midterm test for a reason that has been approved by Rotman Commerce will have grades reallocated to their final assessment.*

### **Late Assignments**

*All assignments are due on the date and at the time specified in Quercus. Late submissions will normally be penalized by 20% if the assignment is not received on the specified date, at the specified time. A further penalty of 10% will be applied to each subsequent day.*

Students who, for reasons beyond their control, are unable to submit an assignment by its deadline must obtain approval from the instructor for an extension. Supporting documentation will be required as per the policy on missed tests and assignments.

## **Statement on Equity, Diversity and Inclusion**

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

## **Commitment to Accessibility**

The University is committed to inclusivity and accessibility, and strives to provide support for, and facilitate the accommodation of, individuals with disabilities so that all may share the same level of access to opportunities and activities offered at the University.

If you require accommodations for a temporary or ongoing disability or health concern, or have any accessibility concerns about the course, the classroom or course materials, please [email Accessibility Services](#) or [visit the Accessibility Services website for more information](#) as soon as possible. Obtaining your accommodation letter may take up to several weeks, so get in touch with them as soon as possible. If you have general questions or concerns about the accessibility of this course, you are encouraged to reach out to your instructor, course coordinator, or Accessibility Services.

## **Academic Integrity**

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the U of T degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

[The University of Toronto's Code of Behaviour on Academic Matters](#) outlines the behaviours that constitute academic misconduct, the process for addressing academic offences and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

## On test and exams

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers.
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

## Misrepresentation

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to) medical notes.

All suspected cases of academic dishonesty will be investigated by the procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other U of T or RC resources such as the RC Centre for Professional Skills, the College Writing Centres or the Academic Success Centre.

## Email

At times, the course instructor may decide to communicate important course information by email. As such, all U of T students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up and properly entered on ACORN. For more information visit the [Information Commons Help Desk](#).

Forwarding your utoronto.ca email to a Gmail or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Gmail accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

## Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted. Students who have been previously granted permission to record lectures as an accommodation for a disability are excepted. This includes tape recording, filming, photographing PowerPoint slides, Quercus materials, etc.

If permission for recording is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in any way. It is forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

## Weekly Schedule

Session	Date	Topic	Readings
1	Sep 9	Introduction to Investments Instruments and Recent Trends	<b>Class Note</b> <b>Bodie:</b> Ch 1, 2
2	Sep 16	RPM and Databases Trading, Buying on Margin, Short Sales	<b>Class Note</b> <b>Bodie:</b> Ch 3
	Sep 23	Mutual Funds Exchange Traded Funds	<b>Class Note</b> <b>Bodie:</b> Ch 4
4	Sep 30	Hedge Funds	<b>Class Note</b> <b>Bodie:</b> Ch 20, 21, 26
5	Oct 7	Asset Allocation, Mean-Variance Equity Premium Puzzle	<b>Class Note</b> <b>Bodie:</b> Ch 5, 6
6	Oct 14	Factor Models Portfolio Performance Evaluation	<b>Class Note</b> <b>Bodie:</b> Ch 7, 8, 9, 10
7	Oct 21	Midterm	<b>Class Note</b> <b>Bodie:</b> 24
8	Oct 28	Market Efficiency Investor Biases and Behavioral Finance	<b>Class Note</b> <b>Bodie:</b> Ch 11 & 12
9	Nov 4	Anomalies Factor Investing	<b>Class Note</b> <b>Bodie:</b> Ch 13
10	Nov 18	Option Strategies Technical Analysis	<b>Class Note</b> <b>Bodie:</b> Ch 18 & 12
11	Nov 25	Yield Curve Bond Portfolio Management	<b>Class Note</b> <b>Bodie:</b> Ch 14, 15 & 16
12	Dec 2	Investment Project Presentations	

**Please note that the last day you can drop this course without academic penalty is November 16, 2022.**



## Other Useful Links

- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)
- [Credit / No-Credit in RSM courses](#)
- [Rotman Commerce Academic Support](#)

## URL links for print

- Book an appointment with a writing or presentation coach: <http://uoft.me/writingcentres>
- Writing and Presentation Coaching academic support page: <https://rotmancommerce.utoronto.ca/current-students/academic-support/writing-and-presentation-coaching/>
- Centre for Professional Skills Teamwork Resources page: <https://rotmancommerce.utoronto.ca/teamwork-resources>
- Book an appointment with a Teamwork Mentor: <http://uoft.me/writingcentres>
- Request for Special Consideration Form: <https://rotmancommerce.utoronto.ca/current-students/forms-requests-and-appeals/forms/>
- ACORN: <http://www.acorn.utoronto.ca/>
- Email Accessibility Services: [accessibility.services@utoronto.ca](mailto:accessibility.services@utoronto.ca)
- Accessibility Services website: <http://studentlife.utoronto.ca/as>
- University's Plagiarism Detection Tool FAQ: <https://uoft.me/pdt-faq>
- The University of Toronto's Code of Behaviour on Academic Matters: <http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>
- Information Commons Help Desk: <http://help.ic.utoronto.ca/category/3/utmail.html>
- Become a volunteer note taker: <https://studentlife.utoronto.ca/program/volunteer-note-taking/>
- Accessibility Services Note Taking Support: <https://studentlife.utoronto.ca/service/note-taking-support/>
- Credit / No-Credit in RSM courses: <https://rotmancommerce.utoronto.ca/current-students/degree-requirements/credit-no-credit-option/>
- Rotman Commerce Academic Support: <https://rotmancommerce.utoronto.ca/current-students/academic-support/>