

# MGT230 Intro to Financial Markets

## Course Outline

<b>Course Code</b>	MGT 230 H1 S
<b>Course Name</b>	Financial Markets
<b>Term, Year</b>	Winter 2023
<b>Course Meets</b>	Mondays 9am-11am, Bader Theatre
<b>Web page URL</b>	<a href="https://q.utoronto.ca">https://q.utoronto.ca</a>

### Instructor Details

Instructor	David Goldreich, Professor of Finance, RT449
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Phone	416-946-0833
Instructor office hours:	Individual (reservable) time slots, Mondays 1pm to 3pm. Please see the Quercus calendar for the specific timings: <a href="https://q.utoronto.ca/calendar">https://q.utoronto.ca/calendar</a> Zoom link: <a href="https://utoronto.zoom.us/j/6660338503">https://utoronto.zoom.us/j/6660338503</a>
TA office hours:	Drop in. No appointment necessary. Wednesdays 7pm to 9pm Saturdays 12noon to 2pm Zoom link: <a href="https://utoronto.zoom.us/j/81737726810">https://utoronto.zoom.us/j/81737726810</a> passcode = finance
Review sessions:	Thursdays 1pm to 3pm Zoom link: <a href="https://utoronto.zoom.us/j/81737726810">https://utoronto.zoom.us/j/81737726810</a> passcode = finance
Office hours and review sessions times are subject to change. Announcements will be made on Quercus.	

### Contact Information:

Issue	Contact	Email
Course/Content Related	MGT230 Team	<a href="mailto:RSM230@utoronto.ca">RSM230@utoronto.ca</a> (avoid using Quercus to contact the TA or professor)
Program Related Issues (e.g., accommodations, missed tests)	Rotman Commerce Academic Services	<a href="mailto:rotmancommerce.info@utoronto.ca">rotmancommerce.info@utoronto.ca</a>
Connect/McGraw Hill	Chat Support	<a href="https://www.mheducation.com/support.html">https://www.mheducation.com/support.html</a>

## Course Scope and Mission

This course is an introduction to financial securities and financial markets. We will discuss the nature of stock (equities), bonds, and other financial securities. We will discuss the structure and function of financial markets, financial institutions and market participants, as well as some tools for market analysis. While the main context is the Canadian market, we will also discuss markets in a global context. The objective of the course is to provide students with basic knowledge required to understand the nature of financial securities and markets, and be able to talk intelligently about current financial issues.

## Required Readings

**Course Quercus webpage:** Students are expected to refer to the course Quercus page on a regular basis at q.utoronto.ca. Course information and readings will be posted regularly to the course webpage.

### Course Textbook:

Ross, S.A., R.W. Westerfield, J.F. Jaffe, G.S. Roberts and H. Driss, Corporate Finance, 9th Canadian Edition, McGraw Hill Education, 2022.

McGraw Hill Connect online resources, which is bundled with the textbook, has various helpful resources including practice questions.

### Additional Readings

Additional readings will be posted to the course page.

## Evaluation and Grades

Grades are a measure of the performance of a student in individual courses. Each student shall be judged on the basis of how well they have command of the course materials.

Deliverable	Weight	Due Date
Syllabus quiz	1%	Friday, January 20, 4pm
Individual essay	5%	Sunday, January 29, 4pm
Group project	5%	Friday, February 17, 4pm
Online homework #1	5%	Friday, February 17, 4pm
Midterm exam	25%	Friday, March 3, 9am-11am
Video essay	5%	Sunday, March 19, 4pm
Online homework #2	5%	Sunday, April 2, 4pm
Video reflection	1%	Thursday, April 6, 4pm
Final Exam	48%	TBA - During Final Examination period

## Course Format and Expectations

### Individual Essay

You will be required to write a short essay related to a financial news item. The purpose is to develop your ability to analyze financial topics and to communicate your ideas clearly in written form. Details for the individual essay will be posted on the course Quercus page.

### Group Case

Group work is very important in business. There will be one group assignment. You should find group members from among your classmates. Groups must be between three and five

members. You are expected to work well with your group, and all members are expected to fully participate in the assignment. Details for the group case will be posted on the course website.

### **Online Homework**

There will be two online homework problem-sets posted to the Quercus Quizzes section of the course page.

### **Video Assignment**

Like the individual essay (above), you will be required to record a video on a finance topic using the Communicado platform. The purpose is to develop your ability to analyze financial topics and to communicate your ideas orally. You will also be required to review your video at a later date and write a reflection on your performance. Details for the video assignment will be posted on the course Quercus page.

### **Midterm Examination**

The midterm exam will be held in person on Friday, March 3 from 9am to 11am.

If you have a conflict with this test, please fill out the following form by February 3 to make arrangements for the alternate sitting immediately after the main midterm. (This form must be submitted while logged into your utoronto email): [Conflict Form \(Click Here\)](#)

For the midterm, you will be allowed one double-sided letter-size (8.5" x 11") page of notes. You may use a non-programmable hand-held calculator.

If you are unable to write a Midterm Examination due to illness or true emergency, contact the Rotman Commerce Academic services for approval. (See below for Missed Tests and Assignments.)

### **Final Examination**

The cumulative final examination will be held during the formal examination period. The date and time of the final examination will be announced by the Faculty of Arts and Science. It will be three hours in duration and may consist of multiple-choice questions, short answer questions, and/or problem solving. It will cover all materials from the entire course. You will be allowed one double-sided letter-size (8.5" x 11") page of notes in the exam. You may use a non-programmable hand-held calculator.

## **Missed Tests and Assignments (including mid-term and final-term 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. Please email your documents to [rotmancommerce.info@utoronto.ca](mailto:rotmancommerce.info@utoronto.ca)

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

In each instance, the instructor will determine how to handle special consideration for missed deliverables, including a make-up deliverable or reweighting of other deliverables.

## Late Assignments

Late submissions for any assignments will not be accepted and failure to successfully compete and submit before the deadline will result in a mark of zero. Given that you have sufficient time and notice to complete and submit your assignments, late submissions will be considered only in extreme situations (and marks may be reallocated). 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.

## Original

Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the [University's Plagiarism Detection Tool FAQ](#) page from Centre for Teaching Support & Innovation.

## 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.

**MGT230 – Winter 2023 Tentative Weekly Schedule\***

<b>Class</b>	<b>Date</b>	<b>Topic(s)</b>	<b>Readings</b>	<b>Deliverables due</b>
1	Jan 10	Introduction to Financial Markets	Ross: skim 1 & 2	
2	Jan 17	Present Value	Ross: 5 (4 optional)	Jan 20 (4pm) Syllabus quiz
3	Jan 24	Present Value & NPV	Ross: 5 (cont)	Jan 29 (4pm): Individual Essay
4	Jan 31	Present Value (annuities/perpetuities)	Ross: 5 (cont)	
5	Feb 7	Net Present Value	Ross 7.1, 7.5, 8.1	
6	Feb 14	Bonds (Debt)	Ross: 6.1 - 6.3	Feb 17 (4pm): Group project, and online HW#1
	Feb 20-24	<b>Reading week. No classes.</b>		
7	Feb 28	Stocks (Equity)	Ross: 6.5	
	Mar 3 (Friday)	<b>Midterm Test**</b>		Starting at 7:00pm (2 hours)
8	Mar 7	Portfolios	Ross: 10.1 - 10.4	
9	Mar 14	Options (Derivatives)	Ross: 23.1 - 23.4	Mar 19 (4pm): Video essay
10	Mar 21	Investment Funds	Readings	
11	Mar 28	Banking	Readings	April 2 (4pm): Online HW #2
12	Apr 4	Market Efficiency	Ross 14	Apr 6 (4pm): Video reflection

\*Subject to revision. Topics may be adjusted depending on classroom discussion. Last day to drop course without academy penalty is March 19, 2023.

\*\*Please see Midterm Examination section in the course outline for details on the Midterm Test. Since the midterm is scheduled outside normal class time, one future class *may* be canceled.

## Other Useful Links

- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)

## URL links for print

- Book an appointment with a writing or presentation coach: <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/>

And... The answer to the final question on the syllabus quiz is The Eagles.