

Course Outline

Course Code	RSM 336 H1 S
Course Name	Investments
Term, Year	Winter, 2023
Course Meets	L0101 Monday 11:00am-1:00pm Stapleton WO35 L0201 Monday 3:00-5:00pm Stapleton WO20 L0301 Tuesday 11:00am-1:00pm Boyko WO30 L0401 Tuesday 1:00-3:00pm Boyko WO30 L0501 Thursday 11:00am-1:00pm Boyko WO30 L0601 Thursday 1:00-3:00pm Boyko WO30
Web page URL	https://q.utoronto.ca

Instructor Details

Name	Email	Office Hours
Dana Boyko	dana.boyko@rotman.utoronto.ca Please include "RSM336" in the subject line of your email	Thursdays 3:30-4:30 pm or by appointment
Maureen Stapleton	maureen.stapleton@rotman.utoronto.ca Please include "RSM336" in the subject line of your email	Mondays 1:30-2:15 pm or by appointment

Course Scope, Mission and Learning Outcomes

This course explores the theoretical framework and real-world practice of portfolio management and security selection. It covers a broad range of topics, including: asset allocation, investment strategies and styles, fundamental and technical analysis, factor-based investing, market anomalies and their impact on portfolio performance. An understanding of these topics will be useful for students pursuing a career in finance as well as for those wishing to manage their own investments. Students will have an opportunity to put course concepts into practice using resources available in the Rotman Financial Research and Training Lab and will manage a virtual portfolio using Rotman Portfolio Manager (RPM).

After successful completion of the course, students should be able to:

- Explain the portfolio management process, assess risk-return trade-offs; value securities using a variety of methods; evaluate investment performance; and differentiate between the needs of institutional and individual investors.
- Describe investment vehicles such as mutual funds and exchange traded funds.
- Compare and contrast investment strategies and styles for managing both equity and fixed income portfolios. Identify current trends in asset management.
- Apply security selection and portfolio construction concepts to construct and manage a simulated investment fund; and evaluate the results.

Course Prerequisites

Prerequisite: RSM230H1, RSM332H1

Corequisite:

ECO220Y1/ECO227Y1/(STA220H1, STA255H1)/(STA257H1, STA261H1)

If you drop ECO220Y1/ECO227Y1/(STA220H1, STA255H1)/(STA257H1, STA261H1) during the academic term, you must also drop this course. Contact Rotman Commerce Academic Program Services for academic advising if needed.

Exclusion: ACT349H1; RSM 330H1

Course Materials

Required Readings

Textbook: Bodie, Kane, Markus, Switzer, Boyko, Panasian, and Stapleton. *Investments*, McGraw-Hill Ryerson, 10th Canadian Edition, 2022.

The University of Toronto Bookstore sells access codes for both the digital copy of the text and the optional Connect resources as noted below, with relevant ISBN codes:

Hard copy of the book: 9781265149352 / 1265149356 – \$149.95

Digital copy of the book: 9781265050061 - \$99.00

Bookstore URL Link to purchase e-textbook:

<https://www.uoftbookstore.com/adoption-search-results?ccid=64544&itemid=103768>

Other required readings: A selection of other required and optional readings related to topics covered in class will be posted throughout the semester on Quercus. <http://q.utoronto.ca>

Case studies are available for purchase in a digital coursepack. Instructions on how to purchase the coursepack are provided on Quercus.

Supplementary 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. This is the same textbook that is assigned for RSM 230 and RSM 332. Students have 4-year access to the textbook. Access it by logging into Connect.

The Ross textbook will only be used as a resource for the Capital Markets Review Quiz due January 22, 2023.

All students are required to read the business section of the Globe and Mail or the National Post on a daily basis and be prepared to discuss recent financial news.

Class Notes: The slides that we use for our discussions in class will be posted on Quercus

Electronic Course Materials

This course will be using the following electronic course materials:

- Case Studies – available for download for \$10.35. Instructions on how to access cases are posted on Quercus.
- Rotman Portfolio Manager (RPM) software – one account per group (\$35/account)

The use of these materials complies with all University of Toronto policies which govern fees for course materials.

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
Capital Markets Review Quiz	4%	January 22, 2023 at 11:59pm
3 Case Quizzes	6%	January 29, March 5 & March 19, 2023 at 11:59pm
Mid-Term Test	20%	Wednesday February 15, 2023 at 8:00pm (90-minute test)
Group Assignment #1	5%	February 9, 2023 at 11:59pm
Group Assignment #2	5%	March 9, 2023 at 11:59pm
Portfolio Management Project		
• Proposal	3%	Saturday January 28, 2023 at 11:59pm
• Report	10%	April 2, 2023 at 11:59pm
• Presentation	7%	During class April 3, 4, 6
Final Exam	40%	TBD

To encourage continuous effort and to reward significant improvement in performance throughout the course, the term test grade will be adjusted upwards if the final exam grade is higher than the original term test grade. To calculate the overall course grade, the adjusted grade for the term test will be calculated as $\max(T, 50\%T + 50\%F)$ where T is the original term test grade and F is the grade for the final exam. Supposing that the original term test grade is 60 and the final exam grade is 80, then the adjusted grade for the term test = $\max(60, 50\%60 + 50\%80) = 70$.

Course Format and Expectations

Writing Assignments / Presentations

The Portfolio Management Project deliverables and Group Assignment #2 are intended to help you develop your communication skills. How well you communicate your ideas, in writing or orally, will be considered in the evaluation of the assignment. In your written assignments, you should aim for clarity, strong organization, concision, professionalism, and correct grammar. Your presentations should reflect strong planning and organization, clarity of speech, and an engaging demeanour. Sources, whether in written or presentation assignments, should always be correctly attributed.

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](#).

Team or Group Assignments

The portfolio management project and group assignments require students to work in teams of 3-5 students. You may create your own groups of 5 on Quercus, subject to the requirement that all group members must be registered in the same section of RSM336. No individual assignments or projects will be accepted. More information about the portfolio management project will be provided on Quercus.

These deliverables require students to work in teams. 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.

Missed Tests and Assignments (including mid-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, assignment or class (in the case of the presentation).
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 present appropriate documentation will be granted an alternate assessment (for example, a makeup test, oral examination, etc.) or a re-weighting of another deliverable to be determined by the instructor.

Late Assignments

All assignments are due on the date and time specified on Quercus. Late submissions will normally be penalized by 10% if the assignment is not received by the specified date, at the specified time. A further penalty of 10% will be applied to each subsequent day. For example, if a quiz is due at 4:00 pm on March 12, if you submit the quiz after 4:00 pm on March 12 and before 4:00 pm on March 13, there will be a 10% penalty applied to the quiz grade.

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.

Re-Mark Requests

A student who believes that an individual item of term work has been marked incorrectly (or that the grade has been miscalculated), may ask for a re-evaluation. Such re-evaluation may involve the entire piece of work and can result in a raised mark, a lowered mark, or no change at all. Re-mark requests must be submitted within one week of the mark being posted. Requests received after this time may not be considered.

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. Lectures may be recorded to assist with accommodation requirements. 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 – Textbook and Class Notes Additional Required Readings are posted on Quercus
1	Jan 9,10,12	Overview of the course; Asset classes & Markets; Mutual funds & Exchange-traded funds	Class Note 1 Bodie: Ch 1(review); Ch 2 (omit L05); Ch. 3; Ch 4 L03-L08
2	Jan 16,17,19	Investment Strategies and Styles, Technical Analysis Finance Lab Visit	Class Note 2 Bodie: Ch 12 L02; Ch.17 L05-L07 RPM video & posted materials
3	Jan 23,24,26	How do markets react to news? Asset Allocation & Optimal Portfolios Open your Group RPM account Project Proposal due Sat Jan 28 at 11:59pm Case Quiz 1 due Jan 29 at 11:59pm	Class Note 3 Bodie: Ch. 5; Ch 6; Ch 7 L01-L04: Ch12 L01 (Review concepts from RSM332) Bodie: Ch 25 L01-L03
4	Jan 30,31. Feb 2	Asset Allocation & Investment Policies RPM Practice period ends Jan 27 Project trading begins Jan 30	Class Note 4 Bodie: Ch. 28 Case Discussion: Partners Healthcare
5	Feb 6,7,9	Beyond CAPM: Factor Investing & Smart Beta Assignment 1 is due Feb 9 at 11:59pm	Class Note 5 Bodie: Ch. 9; Ch 10; Ch 11; Ch 12 L02; Ch 13 L01-L04
6	Feb 15	MID-TERM TEST (90 MINUTES) 8pm	NO CLASS THIS WEEK
		READING WEEK	
7	Feb 27,28, Mar 2	Fundamental Analysis of Equities Case Quiz 2 due Mar 5 at 11:59pm	Class Note 6 Bodie: Ch. 18; Ch 17 review from week 2
8	Mar 6,7,9	Fundamental Analysis of Equities (cont.) Assignment 2 due Mar 9 at 11:59pm	Class Note 8 Bodie: Ch 19 Case Discussion: (case will be posted on Quercus)
9	Mar 13,14,16	Performance Measurement and GIPS; Assessing Investment Managers Case Quiz 3 due Mar 19 at 11:59pm	Class Note 9 Bodie Ch. 24
10	Mar 20,21,23	Fixed Income Investments Cease trading RPM on Friday Mar 24	Class Note 10 Bodie Ch. 14, 15 Case Discussion: CornerStone Partners
11	Mar 27,28,30	Bond Portfolio Management Group Project Report due Apr 2 at 11:59pm	Class Note 11 Bodie: Ch. 16
12	Apr 3,4,6	Group Presentations	
Final Exam	TBA by FAS		The final exam is cumulative and will cover all course material.

Please note that the last day you can drop this course without academic penalty is **March 19, 2023**.

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
- 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/>