Course Outline

Course Code	RSM 336 H1 F
Course Name	Investments
Term, Year	Fall, 2024
Course Meets	LEC0101 Friday 1-3p RT LEC0201 Thursday 11a-1p WO LEC0301 Thursday 3-5p WO LEC0401 Friday 11a-1p WO
Web page URL	https://q.utoronto.ca

Instructor Details

Name	Email	Office Hours
Kevin Mott RT 439	kevin.mott@rotman.utoronto.ca	Tuesdays 3pm-4pm or by appointment

Course Description

This course explores the theoretical framework and real-world practice of portfolio management and security selection. It covers a broad range of topics: asset allocation, investment strategies and styles, fundamental analysis, factor-based investing, market anomalies and their impact on portfolio performance. An understanding of these projects 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 Trading Lab and will manage a virtual portfolio using the Rotman Portfolio Manager (RPM).

Learning Outcomes

By the end of this course, students will 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

Prerequisites: RSM230, RSM332
Corequisites: ECO220/ECO227/(STA220,STA255)/(STA237,STA238)/(STA257,STA261)
Exclusion: ACT349, RSM330
If you drop course ECO220/ECO227/(STA220,STA255)/(STA237,STA238)/(STA257,STA261) (the co-requisite) during the academic term, you must also drop this course. Contact Rotman Commerce Academic Services for academic advising if needed.

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, with relevant ISBN codes: **9781260881257**

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
EXAMINATIONS	**60%**	
➢ Review Quiz	➢ 5%	Sep 12 11:00am
➢ Midterm Exam	➢ 25%	In Class: Week 7
➢ Final Exam	➢ 30%	Set by Registrar
PROJECT	**40%**	
➢ Teamwork Contract	➢ 2.5%	Sep 28 11:59pm
➢ Project Proposal	➢ 7.5%	Sep 28 11:59pm
➢ Project Intermediate Report	➢ 2.5%	Oct 26 11:59pm
➢ Project Final Report	➢ 20%	Nov 27 11:59pm
➢ Project Group Presentation	➢ 7.5%	In Class: Week 12

Course Format and Expectations

Writing Assignments or Presentations
The Portfolio Management Project is 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 requires students to work in teams of 3-5 students. 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

Students who miss a term test or assignment for reasons entirely beyond their control (e.g. illness) may request special consideration **within 2 business days** of the missed midterm/test/assignment due date.

In such cases, students must:

1. Complete the Request for Special Consideration form: https://uoft.me/RSMConsideration
2. Provide documentation to support the request, eg. Absence Declaration from [ACORN](#), medical note etc.

Please note: As of September 2023, students may use the Absence Declaration on ACORN **one time per term** to report an absence and request consideration. **Any subsequent absence will require a [Verification of Illness form](#) or other similar relevant documentation.**

Students who do not submit their requests and documentation within 2 days may receive a grade of 0 (zero) on the missed course deliverable.

Missed Midterm Exam: There will be **no make-up midterm exam** under any circumstances. Students who miss the midterm exam for a valid documented reason will have marks re-allocated to the final exam (which then will be 37.5% of the final grade).

Final Exams: If you miss the final exam in this course for a legitimate reason (illness, etc) you will need to contact your College Registrar to file a petition for a deferred exam. This deferred exam will be written at a later date as established by the Faculty of Arts & Science. Instructions can be found here: https://www.artsci.utoronto.ca/current/faculty-registrar/petitions-appeals/preparing-petition

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 11:59 pm on October 12, if you submit the quiz after 11:59 pm on October 12 and before 11:50 pm on October 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.

Generative AI / ChatGPT
Students will be well aware of the capabilities of generative artificial intelligence (AI) by the time we begin our course. Considering a sizeable portion of this course's mark is determined by a written report, we must all agree to some guidelines for the use of generative AI (including but not limited to ChatGPT).

While I acknowledge that I wish all students would write reports on their own and without generative AI tools, I believe this is unenforceable. Therefore, I will allow generative AI tools to assist students in the preparation of your teams' reports.

For the Portfolio Management Project and associated reports:

- Students may use artificial intelligence tools, including generative AI, in this course as learning aids or to help produce assignments. However, students are ultimately accountable for the work they submit.
    - Any errors or hallucinations made by generative AI tools are attributable entirely to the student.
    - Students must submit, as an appendix with their assignments, any content produced by an artificial intelligence tool, and the prompt used to generate the content.
    - Any content produced by an artificial intelligence tool must be cited appropriately. Many organizations that publish standard citation formats are now providing information on citing generative AI (e.g., MLA: https://style.mla.org/citing-generative-ai/).
- Students may not use artificial intelligence tools for taking tests in this course, but students may use generative AI tools for writing assignments.

Please be warned that generative AI is **not** adept at arithmetic. If you want stylistic help in writing, generative AI may be useful. But you **must** do your own analyses.

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 questions 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 5 Sep 6	Asset Classes and Markets	Chapters 2-4
2	Sep 12 Sep 13	**INVESTMENT STRATEGIES AND STYLES** Market Reaction to News, Asset Allocation, Optimal Portfolios	Chapters 5-7, 12, 25
3	Sep 19 Sep 20	RPM Tour (AT THE FINANCE LAB)	
4	Sep 26 Sep 27	Investment Policies and Asset Allocation	
5	Oct 3 Oct 4	**Factor Models** Equilibrium in Capital Markets	Chapters 9-13
6	Oct 10 Oct 11	Fundamentals Analysis of Equities	Chapters 18-19
7	Oct 17 Oct 18	MIDTERM EXAM IN CLASS	
8	Oct 24 Oct 25	Performance Measurement	Chapter 24
	Oct 31 Nov 1	**FALL READING WEEK**	
9	Nov 7 Nov 8	Macroeconomic & Industry Analysis	Chapter 17
10	Nov 14 Nov 15	Fixed Income I	Chapters 14-16
11	Nov 21 Nov 22	Fixed Income II	Chapters 14-16
12	Nov 28 Nov 29	Final Presentations	

Please note that the last day you can drop this course without academic penalty is November 4, 2024.

Other Useful Links
- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)
- [Credit / No-Credit in RSM courses](#)
- [Rotman Commerce Academic Support](#)
- [Where to find teaching assistant opportunities](#)

URL links for print
- 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/
- 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