



THE OHIO STATE UNIVERSITY
FISHER COLLEGE OF BUSINESS

BUSFIN 4221: Investments
August 2022

Course Description and Syllabus

Instructor: Cynthia Yin

Lecture: M/W 5:30 - 6:50 PM, 315 Schoenbaum Hall (In person)

Office: 760 Fisher Hall

Email: yin.708@osu.edu

Office Hours: M/W 4:00 - 5:00 PM (in person), or by appointment (Zoom)

Course Description:

This course is designed to teach the principles of financial decision-making and the investment process. The course will cover current market-moving events, multiple asset classes, asset allocation, diversification, key player types, efficient market hypothesis, CAPM, APT, active investment management, behavioral finance, and financial regulation.

Course Learning Outcomes:

By the end of this course, students should successfully be able to:

- Understand the concepts of risk and return, with applications to individual securities and portfolios
- Understand intermediate stock and bond analytics, with applications to individual securities and portfolios
- Understand the basics of option and future trading, along with their pricing dynamics.

Text and Materials (Suggested):

Essentials of Investments, 12th Edition, by Bodie, Kane, and Marcus

Suggested Reading/Watching:

The Wall Street Journal, Financial Times, Economist, Bloomberg.com, and CNBC

Class Format:

This class meets twice per week. I will follow the flow of topics and concepts in the books selectively. Regular class attendance is expected since the material will be covered that is not in the textbook. Please feel free to ask questions during the lecture. Lecture notes will be on Canvas at least 24 hours in advance of the class. I will also use Canvas to distribute emails to the class and post supplemental information.

Health and safety requirements:

All students, faculty, and staff are required to comply with and stay up to date on all university safety and health guidance (<https://safeandhealthy.osu.edu>), which includes wearing a face mask in any indoor space and maintaining a safe physical distance at all times. Non-compliance will be warned first, and disciplinary actions will be taken for repeated offenses.

Grading:

Portfolio Management Project	15%
Bloomberg Market Concepts	10%
Quizzes	20%
Participation	5%
Mid-term Exam	25%
Final	25%

No extra credit offered. Grades will be determined at the end of the term. Any curve, if there is one, is set at that time.

Portfolio Management Project:

The project will tie lecture theory with dynamic hands-on practice using How the Market Works. More information will be given on Canvas and in class. You will need to register here: <https://www.howthemarketworks.com/register/257277> (Contest Name: **OSU Investments 4221 (AU22)**; Password: **gobucks**)

Bloomberg Market Concepts:

Bloomberg Market Concepts (BMC) is a self-paced e-learning course that provides a visual introduction to the financial markets. BMC consists of 5 modules – Economics, Currencies, Fixed Income, Equities, and Portfolio Management – woven together from Bloomberg data, news, analytics, and television. It also introduces you to frontier finance topics, such as ESG and Fintech. You will need to sign up here: https://portal.bloombergforeducation.com/sign_up (Class Code: **DB67NVY5K3**)

Quizzes:

There will be five quizzes, but only four will be used in your final grade. You may drop your lowest quiz score. The quizzes are scheduled according to the Course Calendar during the last 20 min of the class.

Participation:

There will be an attendance check at the beginning of each class. Only the student can sign in for attendance. You can not sign in for anyone else.

Midterm Exam and Final:

Exams are closed book and will take place in person. For the midterm, you will be able to take the exam during class time (**October 24th 5:30-6:50pm** at the classroom). For the final, we will take the exam during the assigned time by the university final examination schedule (**December 15th 8:00-9:45pm** at the classroom).

Course Schedule:

The following schedule is tentative and subject to change based on how the class progresses.

Date	Topic	Reading	Other Deadlines
8/24 (W)	Intro to Investments	Ch 1	
8/29 (M)	Intro to Investments cont.	Ch 1	
8/31 (W)	Asset Classes & Financial Instruments	Ch 2	
9/5 (M)	Labor Day (No class)		
9/7 (W)	Asset Allocation, 2008 crash, recession, and regulation	Ch 2	Portfolio Mgmt. Project Registration and Initial Report Due
9/12 (M)	Securities Markets	Ch 3	
9/14 (W)	Securities Market cont.	Ch 3	
9/19 (M)	ETFs & Mutual Funds	Ch 4	Quiz 1 (Ch. 2-3)
9/21 (W)	Risk and Return	Ch 5	
9/26 (M)	Risk and Return cont.	Ch 5	
9/28 (W)	Efficient Diversification	Ch 6	
10/3 (M)	Efficient Diversification cont.	Ch 6	Quiz 2 (Ch. 4-5)
10/5 (W)	CAPM	Ch 7	
10/10 (M)	CAPM (continued)	Ch 7	
10/12 (W)	The Efficient Markets Hypothesis	Ch 8	
10/17 (M)	EMH (continued), Market Anomalies, Behavioral finance	Ch 8	Quiz 3 (Ch. 6-7)
10/19 (W)	Review: Materials before Midterm Exam		
10/24 (M)	Midterm Exam – In person	Ch 1-8	5:30 pm – 6:50 pm (in class)
10/26 (W)	Fixed Income Characteristics	Ch 10	
10/31 (M)	Fixed Income Securities	Ch 10	
11/2 (W)	Fixed Income Interest Rate Sensitivity	Ch 11	
11/7 (M)	Duration and Convexity	Ch 11	
11/9 (W)	Equity Valuation	Ch 13	
11/14 (M)	Equity Valuation cont.	Ch 13	Quiz 4 (Ch. 10-11)
11/16 (W)	Intro to Options	Ch 15	
11/21 (M)	Option Valuation	Ch 16	
11/23 (W)	Thanksgiving Day (No class)		
11/28 (M)	Future markets	Ch 17	Quiz 5 (Ch. 13-15)
11/30 (W)	Future markets	Ch 17	
12/5 (M)	Review: Materials before Final Exam		
12/7 (W)	Review: Materials before Final Exam		Portfolio Mgmt. Project Report Due Bloomberg Market Concepts Due
12/15	Final Exam – In person		8:00 pm – 9:45 pm (in class)

Grading Policies: Quizzes and Exams

Quiz Policies:

- There are 5 quizzes in total. **Please read the course schedule for what will be covered in each quiz.**
- Quizzes will be **closed-book**. Calculator is allowed, but computer, laptop, mobile phones and other electronic devices are not allowed. **If necessary, formula sheets will be uploaded to CarmenCanvas at least one day before the quizzes.**
- Quizzes take place during the last 20 minutes of **in-person class** time specified in the course schedule.
- **Please read the policies on grading and missed quizzes:** The perfect score of each quiz is 100. The overall quiz grade is the average of 4 quizzes that have the highest scores (i.e., the one with the lowest scores will be dropped). If students miss one quiz, the grade of the missed quiz will be zero and be counted as the dropped quiz. If students miss two or more quizzes, starting from the second missed quiz, zero will be assigned to each missed quiz and be part of the average overall score. A quiz can be exempt for a student and thus does not count as her/his missed quizzes, if the student provides a written proof of reason from a trusted third-party (e.g., doctors, university offices, internship company supervisor). For example, if one quiz is exempt for a student, the final quiz score will be the average of the highest three scores with the lowest one score dropped. If two quizzes are exempt for a student, the final quiz score will be the average of the highest two scores with the lowest one score dropped. Again, quiz exemption is only granted if a student can provide a proof of reason from a trusted third party (e.g., a doctor's note).
- **There will be no makeup quiz.**

Midterm Exam Policies:

- The midterm has a perfect score of 100 and **closed-book**. Please read the course schedule for what will be covered in each exam. Calculator is allowed, but computer, laptop, mobile phones and other electronic devices are not allowed. **If necessary, formula sheet will be uploaded to CarmenCanvas at least one day before the exams.**
- **The midterm exam lasts for a full class session** (i.e., 80 minutes) and takes place in-person. The date of the exam is specified in the course schedule.
- **Please read the policies on missed exams:** If a student misses the midterm but can provide a written proof of reason from a trusted third-party (e.g., doctors, university offices, internship company supervisor), the 25% grade of the midterm will be assigned to the final exam, so the final exam will count for $25\% + 25\% = 50\%$. If a student misses a midterm exam, but cannot provide a proof of legitimate reason, zero will be assigned as the score.
- **There will be no makeup exam.**

Final Exam Policies:

- **The dates and time slots of the final exam will be determined by the university's final exam schedule** (as in the course schedule).
- The final exam will be **closed-book**. Calculator is allowed, but using computer, laptop, mobile phones and other electronic devices are not allowed. **If necessary, formula sheets will be uploaded to CarmenCanvas at least one day before the final exam.**
- **There will be no makeup final exam.**
- **Please read the policies on missed final exam:** If a student misses the final exam and provides a written proof of reason from a trusted third-party (e.g., doctors, university offices, internship company supervisor), the 25% grade of final exam will be assigned to quizzes, so quizzes will count for $25\% + 20\% = 45\%$.

When you feel sick:

Absences from classes or exams will only be excused for serious reasons and documented by an appropriately accredited professional (i.e., a medical doctor). When you suddenly feel sick in the morning of the class, send me an email before 11:59 am about the situation.

Students with Disabilities:

The Office of Disability Services verifies students with specific disabilities and develops strategies to meet the needs of those students. Students requiring accommodations based on identified disabilities should contact me at the beginning of the semester to discuss his or her individual needs. All students with a specific disability are encouraged to contact the Office of Disability Services to explore the potential accommodations available to them.

Academic Integrity:

All students enrolled in this course are responsible for abiding by the guidelines outlined in the University's Code of Student Conduct. According to University Rule 3335-31-02, all suspected cases of academic misconduct will be reported to the Committee on Academic Misconduct. The sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understood the University's Code of Student Conduct and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct." The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct

Disenrollment:

Fisher College University Rule 3335-8-33 provides that a student may be disenrolled after the third instructional day of the quarter, the first Friday of the quarter, or the student's second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.

NOTE: The University and College expectation is that students spend two hours outside of class for every hour spent in class. Since this course meets 3 hours per week, you should expect to spend 6 hours per week outside of class on course-related work. Thus, you should be spending at least six hours per week outside of class on this course alone. That time should be spent reading the required material, taking notes on what you were reading, rewriting your class notes, meeting with class colleagues to go over what you have learned, working on homework problems, and reading current investment news to see how concepts learned to tie into the course, and thinking about how the course concepts tie together.

Course technology:

For help with your password, university email, Carmen, or any other technology issues, questions, or requests, contact the Ohio State IT Service Desk. Standard support hours are available at ocio.osu.edu/help/hours, and support for urgent issues is available 24/7.

- **Self-Service and Chat support:** ocio.osu.edu/help
- **Phone:** 614-688-4357(HELP)
- **Email:** servicedesk@osu.edu
- **TDD:** 614-688-8743

Carmen access

You will need to use [BuckeyePass](#) multi-factor authentication to access your courses in Carmen. To ensure that you are able to connect to Carmen at all times, it is recommended that you take the following steps:

- Register multiple devices in case something happens to your primary device. Visit the [BuckeyePass - Adding a Device](#) help article for step-by-step instructions.
- Request passcodes to keep as a backup authentication option. When you see the Duo login screen on your computer, click **Enter a Passcode** and then click the **Text me new codes** button that appears. This will text you ten passcodes good for 365 days that can each be used once.
- Download the [Duo Mobile application](#) to all of your registered devices for the ability to generate one-time codes in the event that you lose cell, data, or Wi-Fi service.

If none of these options will meet the needs of your situation, you can contact the IT Service Desk at 614-688-4357 (HELP), and IT support staff will work out a solution with you.