

Investments

Business Administration 315

Section: E100

Term: 2002 Spring

Instructor: Cheung

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Discussion Topics: Course Objectives:

The focus of this course is on financial markets and securities which are traded in them, from the point of view of an investor. Special attention will be given to analytical methods to investigate the "true value" of an asset, to determine optimal portfolio holdings and to identify "abnormal profits" and arbitrage opportunities.

The purpose of the course is not to provide "how to invest" recipes, but rather to present an overview of some of the issues and the concepts in this field. In addition, more advanced 400 level courses will rely on models and tools covered in this course.

Course Coverage:

The main topics to be covered in this course are:

1. Bond valuation and the term structure of interest rates
2. Portfolio selection
3. The relationship between risk characteristics and the expected rate of return, (CAPM and other models)
4. Stocks, with emphasis on valuation
5. Market efficiency
6. Investment management and performance evaluation

Grading: 15% Assignments

Investments

35% Midterm Exam

50% Final Exam

100%

Required Texts: Bodie, Kane, Marcus, Perrakis & Ryan, Investments, 3rd Canadian ed, McGraw-Hill Ryerson, 2000.

Recommended Texts:

Materials/Supplies:

Prerequisite/Corequisite: Prerequisites:

BUS 207 (or ECON 301), BUS 312, BUEC 333; 60 credit hours.

Notes:

This outline is derived from a course outline repository database that was maintained by SFU Student Services and the University's IT Services Department. The database was retired in 2014 and the data migrated to SFU Archives in 2015.