

Here are some useful links for student computing information, resources and help:

[Best practices for students taking an online quiz](#)

[Technology requirements and FAQs for Moodle](#)

[Student Guide to Moodle](#)

[Zoom@YorkU Best Practices](#)

[Zoom@YorkU User Reference Guide](#)

[Computing for Students Website](#)

[Student Guide to eLearning at York University](#)

Course Organization

Technology is extensively used for delivering instruction and test-taking in this online course. The course is organized in a lecture format. Lecture notes will be made available on Moodle ahead of time. Typically, lectures will be delivered live through video conferencing via Zoom at the scheduled class time. On occasion, narrated PowerPoints will be provided ahead of time and I will use the class time for interactive activities and/or case studies.

Please kindly note that lectures will be recorded and made available on Moodle after class to accommodate students who maybe unable to attend live sessions. Lecture recordings should be used for educational purposes only. You do not have permission to duplicate, copy and/or distribute the recordings outside of the class (these acts can violate not only copyright laws but also [FIPPA](#)). All recordings will be destroyed after the end of classes.

I completely understand if you prefer to have your videos turned off during lectures to protect your privacy during the recording. As a matter of fact, it is preferable for technical reasons if you do so. However, I will incorporate in lectures opportunities for you to interact with me as well as each other. Such in-class activities will not be recorded and I will appreciate if you can participate with both audio and video so that we can create a small virtual community.

Your questions, comments and feedback are welcome at any point of time. There is a separate discussion board for each textbook chapter of the course as well as for general and course administration questions on Moodle. Please kindly post all questions about course content, interesting news/readings related to the course material, and any comments to the Moodle discussion boards rather than e-mailing me. Feel free to respond to questions your classmates have posted. I monitor these boards and respond to your questions on a regular basis.

Please make it a habit of checking the course website on Moodle on a regular basis for current course announcements, lecture notes, practice questions, and assigned readings. Although **lecture notes** will be provided on Moodle, they **are not** meant to be a comprehensive treatment of the material, nor are they **a substitute for the textbook or virtual lectures**. **You are responsible to make up for the material covered in class if you miss a lecture.**

Please use your York email account for correspondence.

Expanded course description

This applied course in financial economics aims to develop an understanding of the principles of modern finance theory and their application to the study of financial decisions, markets, instruments, and regulations. The course will provide a general body of knowledge needed for sound investment decisions and assist you in improving your quantitative skills as well as your ability to read critically and understand the financial press.

Course Objectives and Learning Outcomes

Upon completing this course, you will be able to:

- identify and define essential concepts pertaining to the investment environment
- identify and define, compare and contrast, modern approaches to asset valuation
- interpret fundamental models of equilibrium asset pricing behavior
- quantify risk and diversify it optimally in investment portfolios
- identify underlying assumptions of financial models and assess the implications of changes to these assumptions
- apply concepts and models learned in class to solve financial problems in written mathematical form
- apply concepts and theories learned in class to real-world problems
- find, analyze, and communicate financial data effectively through the use of tables, graphs, and statistics
- apply economic models for making optimal investment decisions
- identify the potential and limitations of financial theory in dealing with real-world problems

Course Text / Readings

Required Text: Bodie, Zvi, Alex Kane, Alan J. Marcus, Lorne N. Switzer, Dana Boyko, Christine Panasian, and Maureen Stapleton, *Investments*, 9th Canadian Edition, McGraw-Hill Ryerson, 2019.

For those on a tight budget, second-hand copies or previous Canadian editions as well as U.S. editions of the text are widely available.

Optional: Ross, Stephen A., Randolph W. Westerfield, Jeffrey F. Jaffe, Gordon S. Roberts, and Hamdi Driss, *Corporate Finance*, 8th Canadian Edition, McGraw-Hill Ryerson, 2019.

Financial Post, Wall Street Journal, Financial Times, Economist, and any other business news magazine or newspaper

Readings and videos suggested on the course website on Moodle

Evaluation

The evaluation is based on three exams. Each exam will be 1 hour long and cover about 1/3 of the course material. Two of these exams will take place during the term (midterm exams) and the third will take place during the final examination period (final exam). All exams will be online via the Moodle course webpage. The exams comprise of multiple choice and numerical questions, which will focus on applications of the course material. While none of the exams is cumulative, the material is interrelated and knowledge of concepts covered in the first third of the course, for example, will be needed to answer questions on the final.

All exams are **open book and open notes**. However, these are **timed** exams and navigation between questions is sequential meaning that you cannot go back to change your response once you submit your answer. **Study for them as you would for an in-class exam**. While you can consult your book and notes, the allotted time will not allow you to learn the material during the exam.

1. Two midterm exams. Midterm 1 and Midterm 2 are scheduled on **July 16th** and **July 30th**, respectively. The second midterm is not cumulative, that is, it will cover only the material covered in class after the first midterm. These online exams will take place during regular class time via Moodle. The exams are synchronous meaning that you all have to take the exam on the same date and during the same time. It is your responsibility to ensure your availability.

2. A final exam. The date and time will be set by the Registrar's Office during the final examination period, **August 14-21**. The final exam is not cumulative; it will cover the material covered in class after the second midterm.

The course **grade will** be determined by the following rule, which is designed to **reward consistent work on the course**:

Course Grade = 40% Highest exam grade + 40% Second highest exam grade + 20% Third highest exam grade.

While **homework problem sets** will not be graded, you are encouraged to work on the assigned problems to reinforce the course material and prepare for exams. I tend to select some of these problems for your exams.

Bonus points may be assigned for regular and insightful posts on the Moodle **discussion boards** and participation in **in-class activities**. There is no make-up for such activities.

Concerns about apparent grading errors will be considered during the term, but requests for "extra credit" or other special considerations in assigning grades will be ignored.

Final course grades may be adjusted to conform to Program or Faculty grades distribution profiles.

Grading

The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York (e.g., A+ = 9, A = 8, B+ = 7, C+ = 5, etc.). Assignments and tests will bear a number grade that you can convert into a letter grade using the standard York University conversion table (e.g., A+ = 90 to 100, A = 80 to 90, B+ = 75 to 79, etc.). For a full description of York grading system see the York University Undergraduate Calendar –

<https://calendars.students.yorku.ca/2019-2020/academic-and-financial-information/academic-information/grades-and-grading-schemes>

Missed Exams

Midterm

If you **miss a midterm exam without a documented excuse, you will receive a grade of zero.**

If you **miss a midterm exam and you have a documented excuse**, you will have the opportunity to write a make-up midterm exam at the end of the term. **The weight of one missed midterm cannot be transferred to the second midterm or the final exam.** The only way to earn the marks if you miss a midterm exam for a valid reason is to write the make-up midterm exam. The make-up midterm will take place on the same date as the final and after the final exam. In the unlikely scenario that you miss both midterms for a valid reason, you will write the two make-up midterm exams back-to-back after your final exam.

If you miss a midterm exam, you must, 1) e-mail me as soon as possible; and 2) provide me with a **clear electronic copy** of the appropriate documentation verifying the circumstances for the missed midterm exam within a week of the exam date (e.g., a copy of the completed [Attending Physician's Statement form](#)).

Final

For students who **miss the final**, the Department of Economics Guidelines on Deferred Standing apply (<http://econ.laps.yorku.ca/students/academic-policies-procedure/deferred-standing/>). In such cases, students should submit a completed Deferred Standing Agreement form together with the supporting documents to the Department of Economics to my attention. The date and time of the

deferred exam will be set at a later date. Students who may require further extensions will have to submit a formal petition to the Faculty.

Academic honesty and integrity

In this course, it is our joint responsibility to strive to maintain academic integrity to the highest extent possible. Academic integrity is the pillar of higher education. Breaches of academic integrity such as cheating on exams affect all of us adversely, including the cheaters - your degree is as valuable as the reputation for academic honesty of our institution.

Please familiarize yourself with the meaning of academic integrity by completing SPARK's [Academic Integrity module](#) at the beginning of the course. All instances of academic dishonesty in this course will be reported to the appropriate university authorities, and can be punishable according to the [Senate Policy on Academic Honesty](#).

The following quote by Madison Sarratt, (1891-1978), an academic and administrator from Vanderbilt University, sums up beautifully my personal beliefs:

Tomorrow I will give you two examinations, one in trigonometry and one in honesty. I hope you will pass them both, but if you must fail one, let it be trigonometry, for there are many good people in this world today who cannot pass an examination in trigonometry, but there are no good people in the world who cannot pass an examination in honesty.

Tentative Course Topics

<i>Date</i>	<i>Topic</i>
<i>June 30</i>	Ch. 1 The Investment Environment
<i>July 2</i>	Ch. 2 Financial Markets, Asset Classes and Financial Instruments
<i>July 7</i>	Ch. 3 How Securities Are Traded
<i>July 9</i>	Ch. 5 Risk, Return, and the Historical Record
<i>July 14</i>	Ch. 6 Capital Allocation to Risky Assets
<i>July 16</i>	Midterm 1 exam – covers chapters 1-3 and 5 Ch. 7 Optimal Risky Portfolios
<i>July 21</i>	Ch. 9 The Capital Asset Pricing Model
<i>July 23</i>	Ch. 11 The Efficient Market Hypothesis
<i>July 28</i>	Ch. 14 Bond Prices and Yields
<i>July 30</i>	Midterm 2 exam – covers chapters 6, 7, 9 and 11 Ch. 17 Macroeconomic and Industry Analysis
<i>August 4</i>	Ch. 18 Equity Valuation Models
<i>August 6</i>	Ch. 19 Financial Statement Analysis Introduction Capital Budgeting
<i>TBA</i>	Final exam – covers chapters 14, 17, 18, and 19

Note: The above list of topics is tentative and subject to change. Dates are firm.

IMPORTANT COURSE INFORMATION FOR STUDENTS

All students are expected to familiarize themselves with the following information, available on the University Secretariat webpage - <http://secretariat-policies.info.yorku.ca>.

- Senate Policy on Academic Honesty and the Academic Integrity Website <http://www.yorku.ca/secretariat/policies/document.php?document=69>.
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning and psychiatric disabilities
- Student Conduct Standards
- Religious Observance Accommodation

Course ADD/Drop Deadlines

	S1	S2
Last date to add a course without permission of instructor (also see Financial Deadlines)	May 15	July 3
Last date to add a course with permission of instructor (also see Financial Deadlines)	May 26	July 10
Last date to drop a course without receiving a grade (also see Financial Deadlines)	June 8	July 29
Course Withdrawal Period (withdraw from a course and receive a grade of “W” on transcript – see note below)	June 9 – June 22	July 30 – Aug. 12