**School of Administrative Studies**

**Faculty of Liberal Arts and Professional Studies**

## AP/ADMS 3531 Personal Investment Management

**Course Outline – Winter 2021**

**Instructor:** Dr. Semih Yildirim

**Office:** Atkinson Room 218 Phone: 416-736-2100 x 22477

Email: yildirim@yorku.ca Office Hours: Mondays 13:00 – 14:00 pm via Zoom

**Class Hours:** Section N, Monday 14:30 – 16:30 p.m. online/remote learning format

Because of COVID-19, there will be no in-person interactions or activities on campus. All components of 3531 will be through the Moodle website, so you need a stable high-speed internet connection. Most of the lecture material is posted in PowerPoint files, some of which have voiceover narrations. We will have activities (Zoom interactive discussions and student presentations) for a portion of the scheduled class times on Mondays each week. Attendance is strongly recommended but it is not mandatory.

**Course Description & Prerequisites**This course familiarizes students with the investment process, emphasizing the management of individual investor portfolios. Topics include security markets, trade-offs between risk and return, security analysis, and the concept of an “almost efficient” market. Current financial events are discussed.

**Prerequisite:** AP/ADMS 3530 3.00

The SAS office staff will be verifying prerequisites later in the term. If you have not already completed 3530 (or equivalent) with a passing grade, you will be de-enrolled.

**Course Resources**

• **Textbook (Required):**

Bodie et al., “Investments” 9th Canadian edition, McGraw-Hill Ryerson, 2019. Copies of each will be on reserve at Bronfman Library. Most students in the BCom finance stream will go on to take ADMS 4501, Advanced Portfolio Management, which also uses the Bodie book. As of May 6, 2020, you can order a hardcopy from the York bookstore for $162.95 (free shipping to Canadian addresses), or an electronic copy for $99.00.

**• Course Website:** <https://eclass.yorku.ca/eclass/course/view.php?id=4078>

**Evaluation:** Your final grade will be based on the following:

Stock-Trak Presentation 5%

Stock-Trak Assignments 15%

Quizzes 10%

Midterm Exam 35%

Final Exam 35%

Course grades may be curved to fit the standardized grade distributions in SAS and LA&PS

**Quizzes**

There are five 25-minute quizzes, each with 10 multiple choice questions. Details about the content will be posted on eClass. For each quiz, you can choose any 25-minute period during the specified period listed on the course website. The quizzes have a 10% weight for your overall course grade. The quiz grade component is determined from your four highest scores among the five quizzes; the lowest score is dropped.

**Exams**

Exams are open book and will be given online through eClass at the dates/times listed below. You will need a financial calculator, which you should already have from ADMS 3530. An exam information sheet will be posted on eClass at least one week before the exam, listing how many exam questions are from each chapter, the breakdown between calculation and conceptual questions, and the required textbook sections.

The midterm exam is **on Sunday February 28, 10:00am-12:00 noon (Toronto time).** There are 35 multiple-choice questions covering topics from the first six weeks. The final exam date will be determined by the Registrar’s Office. The final exam consists of 35 multiple-choice questions covering Week 7 through the end of the term. Students with excused absences from the midterm will write a cumulative final exam covering material from the entire semester.

**Deferred Standing – Missed Final Examination**

Deferred standing may be granted to students who are unable to write their final examination at the scheduled time or to submit their outstanding course work on the last day of classes. Instructions will be posted closer to the final exam date.

Students are strongly encouraged to write the regular exam. Deferred students typically get lower marks, and many fail.

It is the policy of the Admin Studies finance area that the Area Coordinator **will NOT** approve a DSA form if you miss both the midterm and final exams. Students in this situation will need to petition for a deferred or a late withdrawal or some other remedy appropriate to their circumstances.

**Other Relevant Policies**

The Course Outline link from the York Courses Web Site has links to various York policies. All students are expected to familiarize themselves with this information, including policies on Academic Honesty and Student Rights and Responsibilities.

In this course, we strive to maintain academic integrity to the highest extent possible. Please familiarize yourself with the meaning of academic integrity by completing SPARK’s [Academic Integrity module](https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/) at the beginning of the course. Breaches of academic integrity range from cheating to plagiarism (i.e., the improper crediting of another’s work, the representation of another’s ideas as your own, etc.). 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](https://secretariat-policies.info.yorku.ca/policies/academic-honesty-senate-policy-on/).

Audio-visual recordings of live sessions on Moodle will be posted. These recordings should be used for educational purposes only and as a means for enhancing accessibility. Students do not have permission to duplicate, copy and/or distribute the recordings outside of the class; such acts can violate not only copyright laws but also the Ontario [FIPPA](https://www.ontario.ca/laws/statute/90f31) law. All recordings will be destroyed after the end of classes. For further information see the York [guidelines](https://ipo.info.yorku.ca/privacy/guidelines-for-the-taking-and-use-of-photographs-video-and-audio-recordings-by-employees/) for the taking and use of photographs, video and audio recordings.

**Stock-Trak**

An important part of 3531 is your participation in the Stock-Trak Portfolio Simulation. Students should work in groups of two, although individual participation is allowed.

There will be weekly assignments that students will need to complete and submit via Turnitin on eClass and additionally input the details on a worksheet to monitor your progress. The link to the google worksheet will be provided on Moodle. You will be given one week after the lecture to complete each assignment. The worksheet will be locked for editing after one week. The Stock-Trak assignments are worth 15% of your total mark

Each group will make a brief informal presentation to the class at the end of the semester. The presentation schedule will be posted on the course website. The Stock-Trak presentation mark (worth 5% of your course grade) is an automatic 100%. If you do not give your presentation on the scheduled date, and you do not have an excused reason, you will get a presentation mark of zero.

To sign up for a Stock-Trak account, go to the following link.

http://www.stocktrak.com/public/members/registrationstudents.aspx?p=York-ADMS3531N-Winter20

This brings up a registration form that already shows your Class Name Code, York-ADMS3531N-Winter20. You don’t need a practice account, so you can click on the checkmark to un-select it. The price is $29.95 in US dollars. For a group of two students, just one student registers and pays the fee, and then the two of you decide how to share the cost.

Accounts are open for trading beginning on the first 3531 class day (Monday January 11). Your group must make at least five trades by the fourth week of classes. Trading ends on Monday April 5. You do not need to sell your stocks (or close out your positions) at the end; that would just increase your transaction costs.

Each student must make at least 20 trades during the semester (i.e., a group of two students must make 40 trades in their account), including at least two short sales and at least two option trades. You should begin trading by the second week of classes, and at least 10 trades per person should be made by the midterm exam. Stock-Trak allows a maximum of 200 trades per account.

There will be weekly assignments that students will need to complete and input the details on a worksheet to monitor your progress. The link to the google worksheet will be provided on Moodle. You will be given one week after the lecture to complete each assignment. The worksheet will be locked for editing after one week. The Stock-Trak assignments are worth 10% of your total mark.

**Tentative Course Schedule**

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| **Date** | **Topics and Text Chapters** |
| January 11 | Introduction to Course and Orientation  Understanding Stock Trak Trading Platform  Financial Markets, Chapter 2 |
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| January 18 | How Securities are Traded, Chapter 3 |
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| January 25 | Mutual Funds, Chapter 4  Risk, Return and Historical Record, Chapter 5 (LO1-LO6) |
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| February 1 | Equity Valuation Models, Chapter 18  Technical Analysis, Chapter 12 (LO2) |
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| February 8 | Options Markets, Chapter 20 (LO1-LO3) |
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| February 13-19 | Reading Week, No classes at York |
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| February 22 | Option Valuation, Chapter 21 (LO1)  Review for the Midterm Exam |
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| **February 28- Sunday** | **Midterm exam time: 10 am - 12 noon** |
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| March 1 | Bond Prices and Yields, Chapter 14  Stock-Trak Presentations |
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| March 8 | The Term Structure of Interest Rates, Chapter 15  Stock-Trak Presentations |
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| March 15 | Capital Allocation to Risky Assets, Chapter 6 (LO1-LO5)  Stock-Trak Presentations |
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| March 22 | Optimal Risky Portfolios, Chapter 7 (LO1-LO4)  Stock-Trak Presentations |
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| March 29 | The Capital Asset Pricing Model, Chapter 9 (LO1)  Stock-Trak Presentations |
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| April 5 | The Efficient Market Hypothesis, Chapter 11  Behavioural Finance, Chapter 12 (LO1)  Stock-Trak Presentations |
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| **The Final Exam will be scheduled by the Registrar’s Office.** | |