

OFFICIAL UNDERGRADUATE COURSE OUTLINE FORM

Note: The University reserves the right to amend course outlines as needed without notice.

Course Code and Number: BUS 433		Number of Credits: 3 Course credit policy (105)															
Course Full Title: Investments Course Short Title: <i>(Transcripts only display 30 characters. Departments may recommend a short title if one is needed. If left blank, one will be assigned.)</i>																	
Faculty: Faculty of Professional Studies		Department (or program if no department): School of Business															
Calendar Description: <p>Focuses on developing students' abilities to evaluate investments in securities and extensively assess the theories and application of the risk-return relationship. Students are introduced to portfolio-analysis and performance-measurement techniques and use them in an applied project.</p> <p>Note: This course is offered as BUS 433 and ECON 433. Students may take only one of these for credit.</p>																	
Prerequisites (or NONE):		BUS 349/ECON 349.															
Corequisites (if applicable, or NONE):		None															
Pre/corequisites (if applicable, or NONE):		None															
Antirequisite Courses <i>(Cannot be taken for additional credit.)</i> Former course code/number: Cross-listed with: ECON 433 Dual-listed with: Equivalent course(s): ECON 433 <i>(If offered in the previous five years, antirequisite course(s) will be included in the calendar description as a note that students with credit for the antirequisite course(s) cannot take this course for further credit.)</i>		Special Topics <i>(Double-click on boxes to select.)</i> This course is offered with different topics: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <i>(If yes, topic will be recorded when offered.)</i>															
Typical Structure of Instructional Hours <table border="1"> <tr> <td>Lecture/seminar hours</td> <td>30</td> </tr> <tr> <td>Tutorials/workshops</td> <td>15</td> </tr> <tr> <td>Supervised laboratory hours</td> <td></td> </tr> <tr> <td>Experiential (field experience, practicum, internship, etc.)</td> <td></td> </tr> <tr> <td>Supervised online activities</td> <td></td> </tr> <tr> <td>Other contact hours:</td> <td></td> </tr> <tr> <td>Total hours</td> <td>45</td> </tr> </table> <p>Labs to be scheduled independent of lecture hours: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes</p>		Lecture/seminar hours	30	Tutorials/workshops	15	Supervised laboratory hours		Experiential (field experience, practicum, internship, etc.)		Supervised online activities		Other contact hours:		Total hours	45	Independent Study If offered as an Independent Study course, this course may be repeated for further credit: <i>(If yes, topic will be recorded.)</i> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, repeat(s) <input type="checkbox"/> Yes, no limit	
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Other contact hours:																	
Total hours	45																
Transfer Credit Transfer credit already exists: <i>(See bctransferguide.ca.)</i> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Submit outline for (re)articulation: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <i>(If yes, fill in transfer credit form.)</i>																	
Grading System <input checked="" type="checkbox"/> Letter Grades <input type="checkbox"/> Credit/No Credit																	
		Maximum enrolment (for information only): 25 Expected Frequency of Course Offerings: Every semester															
Department / Program Head or Director: Carl Janzen		Date approved: Feb 25, 2020															
Faculty Council approval		Date approved: March 13, 2020															
Dean/Associate VP: Tracy Ryder Glass		Date approved: March 13, 2020															
Campus-Wide Consultation (CWC)		Date of posting: April 9, 2020															
Undergraduate Education Committee (UEC) approval		Date of meeting: April 24, 2020															

Learning Outcomes:

Upon successful completion of this course, students will be able to:

- LO 1. Explain the importance of maintaining the integrity of capital markets for the benefit of society;
- LO 2. Perform thorough and rigorous research of a publicly traded company, the industry in which it operates and the macroeconomic environment;
- LO 3. Analyze the intrinsic value of equity of public and private companies using appropriate quantitative and qualitative methods;
- LO 4. Employ analytical techniques of equity valuation including: Estimating required rates of return, forecasting future cash flows, pro-forma statements, sensitivity analysis, and scenario analysis;
- LO 5. Critically assess data to ensure it conforms with the assumptions of the modeling techniques employed;
- LO 6. Critically analyze the implementation of research in collaboration with peers;
- LO 7. Evaluate fixed income assets and alternative assets such as, private equity, venture capital and real estate;
- LO 8. Develop a suitable Investment Policy Statement and well-diversified portfolio that meets stated objectives within a given set of constraints;
- LO 9. Interpret market events and news in the context of the Efficiency Marketing Hypothesis, Behavioural Finance Theory and cognitive biases;
- LO 10. Practice self-motivated and self-reflective learning in the study of investments theories.

Prior Learning Assessment and Recognition (PLAR)

☒ Yes ☐ No, PLAR cannot be awarded for this course because

Typical Instructional Methods (*Guest lecturers, presentations, online instruction, field trips, etc.; may vary at department's discretion.*)

Lectures, project, problem-solving & discussions, and case analysis.

NOTE: The following sections may vary by instructor. Please see course syllabus available from the instructor.

Typical Text(s) and Resource Materials (*If more space is required, download Supplemental Texts and Resource Materials form.*)

Author (surname, initials)	Title (article, book, journal, etc.)	Current ed.	Publisher	Year
1. Bodie, Z., Kane, A., Marcus, A., Perrakis, S., & Ryan, P.	Investments	<input checked="" type="checkbox"/>	McGraw Hill Ryerson	
2.		<input type="checkbox"/>		
3.		<input type="checkbox"/>		
4.		<input type="checkbox"/>		
5.		<input type="checkbox"/>		

Required Additional Supplies and Materials (*Software, hardware, tools, specialized clothing, etc.*)

A calculator approved by the UFV School of Business. (See the School of Business website).

Typical Evaluation Methods and Weighting

Final exam:	30%	Assignments:	20%	Field experience:	-	Portfolio:	-
Midterm exam:	-	Project:	-	Practicum:	-	Project (Valuation):	50%
Quizzes/tests:	-	Lab work:	-	Shop work:	-	Total:	100%

Details (if necessary):**Typical Course Content and Topics**

Module One: Investments fundamentals

- Stocks and bonds
- Security markets and transactions
- Investment information
- Investment goals and various strategies
- Assignment #1 (LO 1)

Module Two: Equity security analysis

- Market, sector, and company analysis
- Return generating models (CAPM, FF3F, Carhart, Pastor Stambaugh, Extended CAPM | BIRR, Macroeconomic Model etc.)
- Regression / sales forecasting and parameter estimation
- The equity valuation process
- Cash flow estimation (Dividend, FCFF/E, RI)
- Fundamental implied parameters and ratios
- Assignment #2 (LO 2–6, 10)

Module Three: Fixed income and alts

- Curve building (bootstrapping, implying forward and swap calibration)
- Fixed income strategies

- Alternatives (private equity and venture capital) and real estate valuation
- Assignment #3 (LO 7, 10)

Module Four: The portfolio management process

- IPS for individual and institutional investors
- Portfolio construction and decomposition
- Portfolio risk management
- Cognitive biases in portfolio management (case studies)
- Assignment #4 (LO 8, 9)

Equity Valuation Project (LO 1–10)

Final exam (LO 1–5, 7, 8, 10)