

Fin 201a S4– Investments

Brandeis University

Fall 2021

Syllabus

Instructor: Yaxuan Wen (yaxuanwen@brandeis.edu)

Office Hours: before and after class, by appointment

Class Time: M/W 4:00 – 5:30 PM, in-person

Location: Lemberg 180

TA: Tumennast Baatar (tumennast@brandeis.edu), Brendon Lu (brendonlu@brandeis.edu)

TA Office Hours: M/W 6-7:30 pm, T/Th 11:30 am- 1 pm

I. Course Description:

This course provides a broad introduction to financial economics that are fundamental to any investment professional. Topics include the risk-return trade-off, capital allocation, portfolio selection, asset pricing models, equity and fixed income valuation, the efficient market hypothesis, and the futures and options market. After this course, you will be well prepared for more specialized courses of your choice.

The course is in-person. Attendance and participation are components of the course grade (details below).

II. Prerequisite:

Basic knowledge of statistics will be utilized throughout the course and relevant reviews will be covered in class. Statistics concepts include: expected value, variance, covariance, linear regressions, normal distribution.

III. Course Materials:

Textbook

Investments (12th ed.) by Zvi Bodie, Alex Kane, and Alan Marcus. You may obtain an older edition as well; note that references of sections or pages in the textbook will be based on the 12th edition.

Reading assignments should be completed *before* class. This course involves a lot of new concepts and terminology that may be difficult to internalize quickly. Therefore, reading before class and reinforcing after class will be critical to master the material.

A digital version of the textbook (11 e) is currently available through the Brandeis Library. If you are having difficulty purchasing course materials or equipments required, please make an appointment with your Student Financial Services or Academic Services advisor to discuss possible funding options and/or textbook alternatives. [Brandeis Emergency Fund](#) is also available as a resource.

IV. Assignments and Evaluation

- (1) Problem sets (20%). About 5-6 problem sets will be assigned. Late problem sets are not accepted. Extensions will not be granted. One lowest grade is automatically dropped. Solutions will be made available soon after the due date. You are strongly encouraged to review the solutions promptly and ask questions.

Discussion with your classmates is allowed, but each student must independently write up their answers and submit problem sets individually. References to existing solutions is against academic integrity policy and prohibited.

- (2) Midterm exam (20%). One closed-book 90-min exam in class. No make-up midterm will be given.
- (3) Investment research group project (10%). Due by the last day of class. Group size TBD based on enrollment.
- (4) Market update presentation (10%). 8-min individual or group presentation. Group size TBD based on enrollment.
- (5) Final exam (25%). A cumulative closed-book final exam will take place during the final exam period. Absence from the final examination and the right to take a makeup examination are only permissible for documented medical reasons following university policy.
- (6) Attendance (5%). Attendance to in-person lectures is mandatory and will be recorded by the course TA. Three unexcused and excused absence will be allowed during the semester (starting from class three).
- (7) Class participation (10%). Class participation will be noted by the course TA. As a rule of thumb, you should at least speak up once every week for full credit. High quality contribution to class discussion is especially valued. Grade will be lowered by 2% if students miss more than three rating submissions for the presentation assignment.

V. Tentative Course Outline (subject to updates as the course progresses):

Class	Topics	Reading Assignments (complete before class)	Written Assignments
Topic 1: How the capital markets work			
1 Mon. 8/30	introduction; statistics review	See Latte	See Latte
2 Wed. 9/1	Ch. 1		
Mon. 9/6, no class	Labor Day		
Wed. 9/8, no class	Rosh Hashanah		
3 Mon. 9/13	Ch. 2, 3		
4 Wed. 9/15	Ch. 3, 4		
5 Mon. 9/20	Ch. 5, 26		
6 Wed. 9/22	statistics review		
Mon. 9/27, no class	Brandeis Tuesday		
Topic 2: Portfolio theory			

7 Wed. 9/29	Ch. 6		
8 Mon. 10/4	Ch. 7		
9 Wed. 10/6	Ch. 8, 9		
10 Mon. 10/11	Ch. 9, 10		
11 Wed. 10/13	Ch. 10		
12 Mon. 10/18	Ch. 11, 24		
Topic 3: Trading and security returns			
13 Wed. 10/20	Ch. 12		
14 Mon. 10/25	Ch. 13		
15 Wed. 10/27	Midterm review, flex day		
16 Mon. 11/1	Midterm exam		
Topic 3: Equity valuations			
17 Wed. 11/3	Ch. 18		
18 Mon. 11/8	Ch. 18		
19 Wed. 11/10	Ch. 19		
Topic 4: Fixed income valuations			
20 Mon. 11/15	Ch. 14		
21 Wed. 11/17 (asynchronous)	Ch. 15		
22 Mon. 11/22 (asynchronous)	Ch. 16, 17		
Wed. 11/24, no class	Thanksgiving		
Topic 5: Options, futures, and other derivatives			
23 Mon. 11/29	Ch. 20-1		
24 Wed. 12/1	Ch. 22		
25 Mon. 12/6	Flex day		
26 Wed. 12/8	Final review		

VI. Other Information

Accommodations

Brandeis seeks to welcome and include all students. If you are a student who needs accommodations as outlined in an accommodations letter, please talk with me and present your letter of accommodation as soon as you can. I want to support you.

In order to provide test accommodations, I need the letter more than 48 hours in advance. I want to provide your accommodations, but cannot do so retroactively. If you have questions about documenting a disability or requesting accommodations, please contact Student Accessibility Support (SAS) at 781.736.3470 or access@brandeis.edu.

Academic Integrity

Every member of the University community is expected to maintain the highest standards of academic integrity. A student shall not submit work that is falsified or is not the result of the student's own effort. Infringement of academic integrity by a student subjects that student to serious penalties, which may include failure on the assignment, failure in the course, suspension from the University or other sanctions. Please consult [Brandeis University Rights and Responsibilities](#) for all policies and procedures related to academic integrity. Students may be required to submit work via TurnItIn.com or similar software to verify originality. A student who is in doubt regarding standards of academic integrity as they apply to a specific course or assignment should consult the faculty member responsible for that course or assignment before submitting the work. Allegations of alleged academic dishonesty will be forwarded to the Department of Student Rights and Community Standards. Citation and research assistance can be found at [Brandeis Library Guides - Citing Sources](#).

Classroom Health and Safety

On the Brandeis campus, all students, faculty, staff and guests are required to observe the university's policies on physical distancing and mask-wearing to support the health and safety of all classroom participants. Review up to date [COVID-related health and safety policies](#) regularly.

Communications

Please include the course number "Fin 201a" in all email communications to ensure attention. The teaching staff will make our best effort to respond to emails within 24 hours on weekdays; if you do not hear from us during this time frame, feel free to resend the email.

LATTE is the Brandeis on-line course website. Course related announcements and any and all syllabus changes will be communicated via LATTE. <http://latte.brandeis.edu>. Login using your UNET ID and password.

Due to the logistics of online meetings, office hours will be on appointment basis. I will share calendar links for you to make an appointment; when doing so, please confirm your time slot at least 24 hours in advance. Note that I will not be able to address all questions related to course materials via email; instead, please plan to meet me via Zoom as this is usually a more effective way to discuss.

Course Materials/Books/Apps/Equipment

If you are having difficulty purchasing course materials, please make an appointment with your Student Financial Services or Academic Services advisor to discuss possible funding options, including vouchers for purchases made at the Brandeis Bookstore.

LATTE

[LATTE](#) is the Brandeis learning management system. Login using your UNET ID and password. For LATTE help, contact Library@brandeis.edu.

Library

[The Brandeis Library](#) collections and staff offer resources and services to support Brandeis students, faculty and staff. Librarians and Specialists from Research & Instructional Services, Public Services, Archives & Special Collections, Sound & Image Media Studios, MakerLab, AutomationLab, and Digital Scholarship Lab are available to help you through consultations and workshops.

Student Support

Brandeis University is committed to supporting all our students so they can thrive. If a student, faculty, or staff member wants to learn more about support resources, the [Support at Brandeis](#) webpage offers a comprehensive list that includes these staff colleagues you can consult, along with other support resources:

- The [Care Team](#)
- [Academic Services](#) (undergraduate)
- [Graduate Student Affairs](#)
- Directors of Graduate Studies in each department, School of Arts & Sciences
- Program Administrators for the Heller School and International Business School
- [University Ombuds](#)
- [Office of Equal Opportunity](#).

Workload Statement

Success in this four-credit course is based on the expectation that students will spend a minimum of 9 hours of in-class and outside-of-class study time per week (e.g., doing the reading, reviewing lecture notes, working on problem sets).