

# BOSTON COLLEGE

## S U M M E R S E S S I O N

**MFIN115201, Fundamentals of Investment**  
**Boston College Summer Session 2019**  
**Summer II, 6/24/2019- 7/31/2019**  
**Monday and Wednesday 6:00 PM-9:15 PM**

**Instructors: Mathias Hasler and Harshit Rajaiya**

BC E-mail: haslerm@bc.edu, rajaiya@bc.edu

Phone Number: (617) 552-2024

Office: Fulton 337

Office Hours: Monday and Wednesday 5:00 PM-6:00 PM

### **Boston College Mission Statement**

Strengthened by more than a century and a half of dedication to academic excellence, Boston College commits itself to the highest standards of teaching and research in undergraduate, graduate and professional programs and to the pursuit of a just society through its own accomplishments, the work of its faculty and staff, and the achievements of its graduates. It seeks both to advance its place among the nation's finest universities and to bring to the company of its distinguished peers and to contemporary society the richness of the Catholic intellectual ideal of a mutually illuminating relationship between religious faith and free intellectual inquiry.

Boston College draws inspiration for its academic societal mission from its distinctive religious tradition. As a Catholic and Jesuit university, it is rooted in a worldview that encounters God in all creation and through all human activity, especially in the search for truth in every discipline, in the desire to learn, and in the call to live justly together. In this spirit, the University regards the contribution of different religious traditions and value systems as essential to the fullness of its intellectual life and to the continuous development of its distinctive intellectual heritage.

### **Course Description**

This course is an introduction to capital markets, portfolio theory and financial instruments. In the first part, we will focus on central topics of capital markets and portfolio theory, such as the role of capital markets, diversification, efficient portfolios, asset pricing models, and market efficiency. In the second part, we will focus on financial instruments, such as equities, bonds, derivatives, and funds with advanced valuation techniques.

### **Textbooks, Readings and Calculators (Required)**

The main readings for the course will be the lecture notes, which will be provided before each class. Students have to bring a calculator and must be able to calculate the answer to  $e^x$  such as  $(e)^{2.5}$  with a calculator. A financial calculator could be more helpful, although it's not required. If you plan to pursue the CFA (Chartered Financial Analyst) designation, it could be worth investing in the Texas Instruments BA II or BA II Plus. (Both are the accepted calculators for the CFA exams).

### **Textbooks & Readings (Recommended)**

The main readings for the course will be the lecture notes. The recommended textbook for the class is Bodie, Kane and Marcus, Essentials of Investments, 11th Edition, Mc-Graw-Hill/Irwin. Students can find copies of the textbook in the library. We will read selected articles from the Wall Street Journal. You may take advantage of Student pricing or check if your library provides access.

## Canvas

Canvas is the Learning Management System (LMS) at Boston College, designed to help faculty and students share ideas, collaborate on assignments, discuss course readings and materials, submit assignments, and much more - all online. As a Boston College student, you should familiarize yourself with this important tool. For more information and training resources for using Canvas, click [here](#).

## Course Objectives

- 1) Students will become aware of the role of capital markets, diversification, portfolio theory, asset pricing models and market efficiency. A mix of real life examples, problems, and examinations will expose students to fundamentals of investments.
- 2) Students will become proficient in valuing securities (equity, bonds, and derivatives). This course emphasizes practical applications of investing in real-world settings, including using Excel to analyze financial data and improve financial decision-making.
- 3) Students will gain knowledge across cultural settings and will learn the impact of culture, gender, and age in capital markets.
- 4) Students will gain knowledge on ethics pertaining to investments.

## Grading

The course will be taught by two instructors in two segments. Mathias Hasler will lecture during the first 5 sessions and Harshit Rajaiya the last 5 sessions. The contents of each segment will be evaluated separately.

Activity	Grade weight
Homeworks (1-2):	10%
Class Participation first segment	5%
Mid-term exam	35%
Homeworks (3-4)	10%
Class Participation second segment	5%
Final exam	35%

The undergraduate grading system for Summer Session is as follows:

A (4.00), A- (3.67)  
B+ (3.33), B (3.00), B- (2.67)  
C+ (2.33), C (2.00), C- (1.67)  
D+ (1.33), D (1.00), D- (.67)  
F (.00)

The graduate grading system for Summer Session is as follows:

A (4.00), A- (3.67)  
B+ (3.33), B (3.00)  
B- (2.67), passing but does not count toward degree  
C (2.00), passing but not for degree credit  
F (.00)

All students can access final grades through Agora after the grading deadline each semester. Transcripts are available through the [Office of Student Services](#).

## Deadlines and Late Work

Homework is due at the beginning of the class. If a student is unable to attend a class, the student must send the homework by email prior the beginning of the class. There will be no make-up homework.

## Course Assignments

It is expected that you will spend at least 8 hours per week on out-of-class assignments and exercises. These are listed below. Please note that some weeks will require more time and some weeks less time but the average is approximately 8 hours per week over the semester.

## Course Schedule

Below is a preliminary course schedule, which will be adjusted depending on the investments knowledge of the class.

Date	Topic	Assignment	Due Date
Part I			
06/24/2019	Overview of the course Introduction to Financial Markets		
06/26/2019	Portfolio Theory	Problem Set 1	07/01/2019
07/01/2019	Portfolio Theory		
07/03/2019	Asset Pricing Models	Problem Set 2	07/08/2019
07/08/2019	Market Efficiency		
07/10/2019	Final Exam		
Part II			
07/15/2019	Equity Valuation		
07/17/2019	Bond Valuation (Duration/Immunization)	Problem Set 3	07/22/2019
07/22/2019	Derivatives		
07/24/2019	Derivatives	Problem Set 4	07/29/2019
07/29/2019	Funds		
07/31/2019	Final Exam		

## Written Work

Summer Session students are expected to prepare professional, polished written work. Written materials must be typed and submitted in the format required by your instructor. Strive for a thorough yet concise style. Cite literature appropriately, using APA, MLA or CLA style per your instructor's requirements. Develop your thoughts fully, clearly, logically and specifically. Proofread all materials to ensure the use of proper grammar, punctuation and spelling. For writing support, please contact the Connors Family Learning Center.

## Attendance

Attending class is an important component of learning. Students are expected to attend all class sessions. When circumstances prevent a student from attending class, the student is responsible for contacting the instructor before the class meets. Students who miss class are still expected to complete all assignments and meet all deadlines. If circumstances necessitate excessive absence from class, the student should consider withdrawing from the class.

Consistent with BC's commitment to creating a learning environment that is respectful of persons of differing backgrounds, we believe that every reasonable effort should be made to allow members of the university community to observe their religious holidays without jeopardizing their academic status. Students are responsible

for reviewing course syllabi as soon as possible, and for communicating with the instructor promptly regarding any possible conflicts with observed religious holidays. Students are responsible for completing all class requirements for days missed due to conflicts with religious holidays.

### **Accommodation and Accessibility**

Boston College is committed to providing accommodations to students, faculty, staff and visitors with disabilities. Specific documentation from the appropriate office is required for students seeking accommodation in Summer Session courses. Advanced notice and formal registration with the appropriate office is required to facilitate this process. There are two separate offices at BC that coordinate services for students with disabilities:

- [The Connors Family Learning Center \(CFLC\)](#) coordinates services for students with LD and ADHD.
- [The Disabilities Services Office \(DSO\)](#) coordinates services for all other disabilities.

Find out more about BC's commitment to accessibility at [www.bc.edu/sites/accessibility](http://www.bc.edu/sites/accessibility).

### **Scholarship and Academic Integrity**

Students in Summer Session courses must produce original work and cite references appropriately. Failure to cite references is plagiarism. Academic dishonesty includes, but is not necessarily limited to, plagiarism, fabrication, facilitating academic dishonesty, cheating on exams or assignments, or submitting the same material or substantially similar material to meet the requirements of more than one course without seeking permission of all instructors concerned. Scholastic misconduct may also involve, but is not necessarily limited to, acts that violate the rights of other students, such as depriving another student of course materials or interfering with another student's work. Please see the [Boston College policy on academic integrity](#) for more information.