

Capital University of Economics and Business

Overseas Chinese College

Course Syllabus

<u>Year and Semester</u>	Fall 2021 (September 2, 2021— January 16, 2022)
<u>Course Name</u>	Equity Investment and Portfolio Management
<u>Course Code</u>	FI303
<u>Course Type</u>	<input type="checkbox"/> General Education (Required) <input type="checkbox"/> General Education (Elective) <input type="checkbox"/> Professional Course (Required) <input checked="" type="checkbox"/> Professional Course (Elective) <input type="checkbox"/> Basic Disciplinary Course
<u>Course Credits</u>	3
<u>Course Hours</u>	3*17= 51
<u>Prerequisites</u>	None
<u>Instructor</u>	Manqiu Wei
<u>Contact Information</u>	Office: C203 Tele: (010)8395 1085 Email: weimanqiu@cueb.edu.cn
<u>Office Hour</u>	T 15:30-16:30; TH 9-10, 11-12; 13-15; F 13-14
<u>Learning Centre</u>	M 15:30-17:30; 18-20
<u>Grade/Section</u>	2019BA Y01/02
<u>Course Time/Place</u>	Y01&Y02 M: 13:30—15:20 / BX109 TH: 8:00—8:80 / BX109
<u>Textbook</u>	Zvi Bodie, <i>Investment, 10th Edition</i> , China Machine Press, Beijing, ISBN: 978-7-111-58160-4

Reference Books

1. Stephen A. Ross. *Corporate Finance, 11th Edition*, China Machine Press, Beijing, ISBN: 978-7-111-58856-6

Course Description

The aim of this course is to develop students' ability to apply modern portfolio management skills, to acquire the basic knowledge and theory. Core areas covered in this course include modern portfolio management theory and practice, capital market equilibrium, equity securities analysis, and performance evaluation.

Student Learning Objectives

After completing this course, students should be able to:

Knowledge:

- ◆ Describe various types of financial securities;
- ◆ Describe mechanisms of trading and types of orders
- ◆ Explain the concept of diversification and portfolio management;

Capability

- ◆ Compare and contrast different asset class and financial instruments;
- ◆ Demonstrate financial statement analysis, macroeconomic and industry analysis;

- ◆ Apply valuation models to evaluate securities;
- ◆ Discuss portfolio performance evaluation and contribution.

Mindset:

- ◆ Act with integrity, respect, and in an ethical manner in the finance field;
- ◆ Be independent and diligent in the investment process;
- ◆ Strive to improve professional knowledge and competence;
- ◆ Apply critical thinking in the process of decision making;

Website Source

1. [http:// www.sse.com.cn](http://www.sse.com.cn) Shanghai Stock Exchange
2. <http://www.szse.cn/> Shenzhen Stock Exchange
3. <https://www.hkex.com.hk/> Hong Kong Exchanges
4. <https://www.nyse.com/index> New York Stock Exchange
5. <https://www.londonstockexchange.com/> London Stock Exchange
6. <http://www.csrc.gov.cn/pub/newsite/>  中国证券监督管理委员会
7. <https://finance.sina.com.cn/>  新浪财经
8. <https://www.bbwc.cn/>
9. [http://www.ftchinese.com /](http://www.ftchinese.com/)

Teaching Methods

This course contains lectures, class discussions, homework, quizzes, presentation and exams. Textbook content will be introduced first. Then real case and practice questions will be delivered to students as a way to test their understanding of the knowledge. This will require individual or group assignment in or after class.

Grade Criterion

Component	Weight	Description
Final Exam	20%	A cumulative final examination will be given based on all of the contents of the class. The exam paper may be composed of multiple-choice questions, short answer questions, essay questions, problems. Students should rely primarily on homework assignments to give them a sense of what they may see for material on exams.
Mid-Term Test	20%	A cumulative midterm test will be given based on all of the contents that have been taught in class. The test paper may be mainly composed of multiple-choice questions and long-constructed questions.
Homework	15%	Most of the assigned homework is taken from the Exercises in the textbook. Assignments will be collected at the clearly stated date. Late assignments will not be accepted. The graded assignments will be kept by the tutor for reference and won't be returned to students.
Quizzes	15%	There will be at least 2 quizzes during the semester. Quizzes may or may not be announced in advance. It may also be used as a way to check the attendance. Quizzes will test your knowledge of both concepts and the application of those concepts.
Presentation	10%	The students will be divided into several groups to prepare a presentation.

		Each student is required to be involved in the presentation. The topics can be selected from the textbook or lectures or course related materials. Each group needs to finish a PPT related to the topic which is given and hand in the related resources to the teacher before the presentation.
Participation	10%	Individuals will be asked to participate individually in a question and answer at least 5 times during the semester. The performances should be counted in their participation.
Attendance	10%	Refer to attendance policy listed below
Total	100%	

Detailed Grade Computation

	Before Midterm	After Midterm
Attendance	5%	5%
Participation	5%	5%
Homework	5%	10%
Quizzes	5%	10%
Presentation		10%
Midterm test	20%	
Final exam		20%
Total	40%	60%

Grading Policy

A+ 97-100	A 93-96	A- 90-92	B+ 87-89	B 83-86	B- 80-82
C+ 75-79	C 70-74	C- 67-69	D+ 63-66	D 62-60	F 0-59

Exam Schedule

Final Exam: January 5-14, 2022

Assessment of Student Performance

☞ Self-Study and Reading ability Practice

Instructor will give out the chapters or the reference books to read and use class hours to have discussion; students should be able to show a proactive attitude and ability for self-study and reading. Knowledge and oral English will be elements of homework or presentation score.

☞ Homework

Students should finish their homework by themselves. Copying from others will be treated as cheating and the homework scores will be lowered. Students should hand in all assignments on time. Late assignments will be accepted at the discretion of the instructor (i.e., when the student was ill or had an excused absence). Late assignments without reasonable proof will be reduced in score by 50%.

☞ Attendance

Because the course covers a great deal of material, attending every class session is very important for performing well.

- ◆ Being late for 15 minutes or more is considered an absence.
- ◆ Five hours or above of unexcused absences will result in the lower level of the final grade by one

grade band (e.g. from C – to D +). Any excused absence must be discussed directly with the teacher.

- ♦ Absence which is more than 1/3 of the total teaching hours will cause an F (a failing grade) directly.

But students are welcome to continue attending classes.

- ♦ An incomplete grade (I) will be considered in case of medical or family emergencies.

☞ Participation

- ♦ Students should participate in classes actively. Half of participation grade is determined by their presentation in class. They are encouraged to ask questions relevant to the subject and express their own opinions. Every student should respect the ideas, opinions, and questions of their classmates.
- ♦ Students should also use office hours to ask questions or talk with the instructor for good communication and effective learning.
- ♦ Frequent visiting the instructor and chatting in English during office hours is highly recommended.
- ♦ Any misbehavior and non-class related activities in class will result in the lower level of the participation grade, including ringing cell phones.
- ♦ All above behaviors will be solely evaluated by the instructor for scoring.

☞ Textbook

Students must bring the textbook to class.

Topical Course Outline

Week	Topics	Homework
1	<ul style="list-style-type: none"> ● Syllabus ● Chapter 2 Asset Classes and Financial Instruments 1 The Money Market 2 The Bond Market 3 Equity Securities and Stock Market Indexes 4 Derivative Markets 	Self-study: Chapter 1
2	<ul style="list-style-type: none"> ● Chapter 3 How Securities Are Traded 1 How Firms Issue Securities 2 How Securities Are Traded 3 Buying On Margin And Short Sales 	Self-study: Chapter 4
3	<ul style="list-style-type: none"> ● Chapter 5 Risk, Return, and the Historical Record 1 Comparing Rates of Return for Different Holding Periods 2 Risk and Risk Premium 3 Time Series Analysis of Past Rates of Return 	
4	<ul style="list-style-type: none"> ● Chapter 6 Capital Allocation to Risky Assets 1 Risk and Risk Aversion 2 Capital Allocation across Risky and Risk-Free Portfolios 3 Portfolios of One Risky Asset and a Risk-Free Asset 4 Risk Tolerance and Asset Allocation 5 Passive Strategies: The Capital Market Line 	
5	National Day Holiday	

6	<ul style="list-style-type: none"> ● Chapter 7 Optimal Risky Portfolios 1 Diversification and Portfolio Risk 2 Portfolios of Two Risky Assets 3 Asset Allocation with Stocks, Bonds, and Bills 4 The Markowitz Portfolio Optimization Model 	
7	<ul style="list-style-type: none"> ● Comprehensive Exercises and Explanations 	
8	<ul style="list-style-type: none"> ● Chapter 9 The Capital Asset Pricing Model 1 The Capital Asset Pricing Model 2 Assumptions and Extensions of the CAPM ● Chapter 10 Arbitrage Pricing Theory and Multifactor Models of Risk and Return 1 Arbitrage Pricing Theory 2 The APT and the CAPM Model 	
9	<ul style="list-style-type: none"> ● Revision ● Midterm Test (tentative) 	
10	<ul style="list-style-type: none"> ● Chapter 17 Macroeconomic and Industry Analysis 1 Business cycles 2 Industry analysis ● Chapter 18 Equity Valuation Models 1 Dividend Discount Models 2 Price-Earnings Ratio 	
11	<ul style="list-style-type: none"> ● Chapter 19 Financial Statement Analysis 1 Measuring Firm Performance 2 Profitability Measures 3 Ratio Analysis 4 Value Investing 	
12	<ul style="list-style-type: none"> ● Chapter 24 Portfolio Performance Evaluation 1 Conventional Theory of Performance Evaluation 2 Performance Measurement with Changing Portfolio Composition 3 Market timing 4 Style analysis 5 Performance Attribution Procedures 	
13	<ul style="list-style-type: none"> ● Revision 	
14	<ul style="list-style-type: none"> ● Presentation 	
15	<ul style="list-style-type: none"> ● Presentation 	
16	<ul style="list-style-type: none"> ● Presentation 	
17	<ul style="list-style-type: none"> ● Presentation 	

Note: During the semester, this course may be switched to on-line teaching; in the case of on-line teaching, YunBanKe, Tencent Meeting and WeChat group will be used as main teaching methods. WeChat group will be mainly used to inform students of daily study activities and tasks. YunBanKe and Tencent Meeting will be used as main platform to organize study activities. When school reopen YunBanKe will be used to release learning materials.

A review in Chinese may be held during L.C. and O.H. in the semester.

Teacher's Office Hour

- ◆ The instructor's office hour is shown in the front of the office door.
- ◆ Students are suggested to use the instructor's office hour and learning center to ask questions or talk with the instructor once at least per week for good communication and effective learning, which is

recorded in the students' participation.

- ♦ The time can be scheduled by instructors or students, or both.

Cheating and Plagiarism

Cheating is not tolerated. Any student caught cheating on a quiz; test or exam will be given a mark of zero (0) for the particular work. At the beginning of the semester the definition of plagiarism will be carefully explained, when any thoughts or writings of another person are used, they must be clearly identified (usually one uses quotation marks) and the source notes. **If any student is caught cheating on any homework assignment, the highest score the student can earn in that course is a "C".**

<u>Important Dates</u>	
Fall Semester, 2021 September 2, 2021— January 16, 2022	
Sep.5	Registration (Sophomores, Juniors and Seniors)
Sep.6	Classes Begin (Sophomores, Juniors and Seniors)
Sep.21	Mid-Autumn Festival
Oct.1	National Day
Nov.1-5	Midterm Test (tentative)
Jan.1, 2022	New Year's Day
Jan.1-4	Revision (Sophomores, Juniors and Seniors)
Jan.5-14	Final Exam Period (Sophomores, Juniors and Seniors)

Note: This syllabus is tentative and may be changed or modified throughout the semester. All students will be notified and a new syllabus will be given.

Instructor: Manqiu Wei

Department Head: _____

