

**FINA 3103 Intermediate Investments**  
**Fall 2017**

1. GENERAL INFORMATION		
Instructor:	Professor Jialin Yu (余家林), Department of Finance	
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Office & office hours:	5068 LSK, 11-noon on Wed and Thurs	
Class Dates and Venue:	G007 LSK, Mon 4:30PM - 5:50PM, Fri 12:00PM - 1:20PM	
Course Prerequisite(s):	FINA 2203/2303	
Course Exclusion(s):	Not applicable	
Course Add/drop deadline:	14 Sep 2017	
	(Any late add/drop will not be considered, please contact your program office)	
Canvas course site:	<a href="https://canvas.ust.hk/courses/">https://canvas.ust.hk/courses/</a>	
2. COURSE DESCRIPTION		
This course studies the concepts and evidence relevant to the management of investment portfolios. Topics include diversification, asset allocation, portfolio optimization, factor models, the relation between risk and return, trading, passive (e.g., index-fund) and active (e.g., hedge-fund, long-short) strategies, mutual funds, performance evaluation, long-horizon investing and simulation.		
3. COURSE OBJECTIVES		
You will learn how to trade on financial exchanges, how to allocate money across several different types of securities/assets (how to invest rather than speculate), how to determine the fair price of a financial security, and how to determine whether a portfolio manager is doing a good job. You will be introduced to various investment strategies (passive, active).		
4. COURSE INTENDED LEARNING OUTCOMES		
On successful completion of the course, students are expected to be able to		
Course Intended Learning Outcomes	Aligned Program Intended Learning Outcomes	
CLO1. Allocate money across different asset classes in a scientific manner.	P3, P4	
CLO2. Price financial securities	P1, P4	
CLO3. Determine whether a portfolio manager is doing a good job.	P3	
CLO4. Understand various investment strategies (passive, active, portfolios).	P4, P7	
5. COURSE TEACHING AND LEARNING ACTIVITIES		
Course Teaching and Learning Activities	Expected contact hours	Study Load (% of study)
In-class lecture	40	40%
Homework Projects	20	20%
Self-study and review	40	40%
Total	100	100%

Assessment Methods	Weight (%)	Aligned Course Learning Outcomes (CLO no in section 4)
Homework	35%	CLO 1, 2, 3, 4
Trading game	5%	CLO 4
Final exam	60%	CLO 1, 2, 3, 4
Total	100%	

## 6. STANDARDS FOR ASSESSMENT

### Course Grade Descriptors

A+, A, A- B+, B, B-, C+, C F	Excellent Performance Good Performance Marginal Performance Failure
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### Assessment Rubrics For Each Assessment

Assessment is based on the homework, trading game, and exam.

- Trading game: higher score if you have more wealth at the end of the game.
- Homework and exam: higher score if you accurately answer more questions. For long questions, partial credit will be given to partially accurate answers.

## 7. COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

Week/Session	Course Content
Week 1	Intro
Week 2-5	Optimal portfolio
Week 6-9	Factors
Week 10-13	Bonds Intro to derivatives

## 8. TEACHING MATERIALS

### Required Materials:

Z. Bodie, A. Kane, A.J. Marcus, and Ravi Jain (BKMJ), Investments (Asia Global Edition), Mc-Graw Hill Education. ISBN 978-007-126228-6. (Any recent edition, say published within the last 5 years, is fine. A few copies are also on reserve at the library)

FAQ page: <https://canvas.ust.hk/courses/13352/pages/faq>

## 9. MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE

Complete online Student Feedback Questionnaires (SFQ) Survey during two weeks before the course end at:

Canvas website (<https://canvas.ust.hk>) or  
SFQ Mobile website (<http://sfq.ust.hk/mobile/>) or  
HKUST iLearn app at smartphones / tablets

## 10. COURSE POLICY

Homework is done on a team basis of up to 5 people. Please form your own teams and register your group on Canvas (please register even if your group consists of just yourself). Changing teams during the course is allowed. If you cannot find enough teammates, please let TA know and the TA will help make the assignment.

## 11. ADDITIONAL COURSE INFORMATION

Homework assignments must be submitted via Canvas (please make your spreadsheet printer friendly). Only those students whose names appear on the assignment will receive credit. Any late assignment will get zero credit.