



# AFIN8018

## Investments

Session 2, Special circumstances 2021

*Department of Applied Finance*

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#### **Disclaimer**

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#### **Session 2 Learning and Teaching Update**

The decision has been made to conduct study online for the remainder of Session 2 for all units WITHOUT mandatory on-campus learning activities. Exams for Session 2 will also be online where possible to do so.

This is due to the extension of the lockdown orders and to provide certainty around arrangements for the remainder of Session 2. We hope to return to campus beyond Session 2 as soon as it is safe and appropriate to do so.

Some classes/teaching activities cannot be moved online and must be taught on campus. You should already know if you are in one of these classes/teaching activities and your unit convenor will provide you with more information via iLearn. If you want to confirm, see the list of [units with mandatory on-campus classes/teaching activities](#).

Visit the [MQ COVID-19 information page](#) for more detail.

## General Information

Unit convenor and teaching staff Unit Convenor Gary Tian <a href="mailto:gary.tian@mq.edu.au">gary.tian@mq.edu.au</a>
Credit points 10
Prerequisites AFIN805 or AFIN8005
Corequisites
Co-badged status
Unit description This unit introduces concepts of investment analysis and their practical application. With an international approach, the unit covers fundamentals in asset classes and financial trading, portfolio theory and practices, equilibrium in capital markets including modern asset pricing models and behavioural finance, fixed-income securities, and security analysis and selection.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

## Learning Outcomes

On successful completion of this unit, you will be able to:

- ULO1:** Explore common investment vehicles.
- ULO2:** Illustrate the theory and empirical applications of modern portfolio theory and asset pricing models.
- ULO3:** Construct optimal portfolios applying the principles of modern portfolio theory.
- ULO4:** Analyze macroeconomic and industry situations as well as behavioural biases that impact on investment decisions.
- ULO5:** Explore, develop, and conduct analysis for research questions in Investment.

## General Assessment Information

Assessment criteria (including information about late submissions and extensions) for all

assessment tasks will be provided on the unit iLearn site.

### Late submissions of assessments

Sometimes unavoidable circumstances occur that might prevent you from submitting an assessment on time and, in that case, you may be eligible to lodge a [Special Consideration request](#).

Unless a [Special Consideration request](#) has been submitted and approved, please note that no extensions to assessment deadlines will be granted. Assessments that are submitted late will attract a late penalty:

1. There will be a deduction of 10% of the total available marks for each 24 hour period or part thereof that the submission is late.
2. No assessment will be accepted more than 72 hours after the original due date and time (incl. weekends).
3. No late submissions will be accepted for timed assessments (e.g., quizzes, online tests) or for tasks with a weighting of 10% or less.

## Assessment Tasks

Name	Weighting	Hurdle	Due
<a href="#">Online Quizzes</a>	20%	No	Weekly
<a href="#">Individual Research Report</a>	30%	No	Refer to iLearn
<a href="#">Final Examination</a>	50%	No	University Examination Period

### Online Quizzes

Assessment Type <sup>1</sup>: Quiz/Test

Indicative Time on Task <sup>2</sup>: 20 hours

Due: **Weekly**

Weighting: **20%**

There will be eleven online quizzes each containing questions from the weekly material.

On successful completion you will be able to:

- Explore common investment vehicles.
- Illustrate the theory and empirical applications of modern portfolio theory and asset pricing models.
- Construct optimal portfolios applying the principles of modern portfolio theory.

- Analyze macroeconomic and industry situations as well as behavioural biases that impact on investment decisions.

## Individual Research Report

Assessment Type <sup>1</sup>: Report

Indicative Time on Task <sup>2</sup>: 22 hours

Due: **Refer to iLearn**

Weighting: **30%**

A written report based on quantitative and qualitative analysis research conducted.

On successful completion you will be able to:

- Explore common investment vehicles.
- Illustrate the theory and empirical applications of modern portfolio theory and asset pricing models.
- Construct optimal portfolios applying the principles of modern portfolio theory.
- Analyze macroeconomic and industry situations as well as behavioural biases that impact on investment decisions.
- Explore, develop, and conduct analysis for research questions in Investment.

## Final Examination

Assessment Type <sup>1</sup>: Examination

Indicative Time on Task <sup>2</sup>: 20 hours

Due: **University Examination Period**

Weighting: **50%**

A two hour exam will be held during the University Examination Period.

On successful completion you will be able to:

- Explore common investment vehicles.
- Illustrate the theory and empirical applications of modern portfolio theory and asset pricing models.
- Construct optimal portfolios applying the principles of modern portfolio theory.
- Analyze macroeconomic and industry situations as well as behavioural biases that impact on investment decisions.

<sup>1</sup> If you need help with your assignment, please contact:

- the academic teaching staff in your unit for guidance in understanding or completing this type of assessment
- the [Writing Centre](#) for academic skills support.

<sup>2</sup> Indicative time-on-task is an estimate of the time required for completion of the assessment task and is subject to individual variation

## Delivery and Resources

### Required Text:

It is essential to have the unit textbook.

The textbook for the unit is Bodie, Z., Kane, A. and Marcus, A.J. (2014), *Investments, 10th edition*, McGraw-Hill (denoted BKM on the reading list). Textbook material will be supplemented by articles and handouts. Chapters from the textbook and specified articles should be read prior to attending the scheduled lecture on that topic.

### Unit Web Page:

Important handouts can be downloaded from the unit's iLearn site.

iLearn (<https://ilearn.mq.edu.au>) provides the main online learning support. It is essential that you log in regularly to keep abreast of unit-wide announcements and use the resources to supplement your learning. Lecture slides are available by the Friday before each lecture for you to download from iLearn. Solutions to homework problems are made available online after the problems are discussed in class.

### Technology Used and Required:

A laptop is preferred during the classes.

### Recommended readings:

The optional additional textbook for the unit is Elton, E.J., Gruber M.J., Brown, S.J., Goetzmann, W.N. (2014), *Modern Portfolio Theory and Investment Analysis, 9th Edition*, Wiley. Readings for R: *R in Action* (2015), Robert I. Kabacoff, *2nd Edition*, Manning.

### Delivery Format and Other Details:

Students are required to enroll in one three-hour class per week and to attend the class in which they are enrolled. See details from the timetable at <https://timetables.mq.edu.au/2021/>

Classes will typically consist of a two-hour lecture plus a one-hour tutorial. Lectures are used to set the scene and show how the topic fits into the overall unit of study aims. You will be expected to have read the required reading before that week's class. Tutorials are essential for helping address any misunderstandings and to apply concepts to more difficult problems. Participation is strongly encouraged so students can check their understanding of concepts. Students should be

prepared to present their homework solutions in the tutorials and/or to discuss the related conceptual issues.

Attendance at lectures and tutorials is a compulsory component of the Unit, and students are expected to attend all classes. If a student misses more than two classes then they could be given a written warning that non-attendance can lead to a Fail grade in the Unit. A class register will be taken to record students who are at a class. It is the student's responsibility to ensure that they record their attendance in the register. The attendance register cannot be amended after the class. Students are not permitted to register on behalf of other students - any such cases may be referred to the School.

### **Other Course Materials:**

Homework will be assigned at the end of lectures and these should be completed before coming to the following week's tutorial where students get to discuss their homework solutions.

## **Unit Schedule**

Please refer to iLearn

## **Policies and Procedures**

Macquarie University policies and procedures are accessible from [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- [Academic Appeals Policy](#)
- [Academic Integrity Policy](#)
- [Academic Progression Policy](#)
- [Assessment Policy](#)
- [Fitness to Practice Procedure](#)
- [Grade Appeal Policy](#)
- [Complaint Management Procedure for Students and Members of the Public](#)
- [Special Consideration Policy](#)

Students seeking more policy resources can visit [Student Policies \(https://students.mq.edu.au/support/study/policies\)](https://students.mq.edu.au/support/study/policies). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

To find other policies relating to Teaching and Learning, visit [Policy Central \(https://policies.mq.edu.au\)](https://policies.mq.edu.au) and use the [search tool](#).

## **Student Code of Conduct**

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: <https://students.mq.edu.au/admin/other-resources/student-conduct>

## Results

Results published on platform other than [eStudent](#), (eg. iLearn, Coursera etc.) or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit [ask.mq.edu.au](#) or if you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@mq.edu.au)

## Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

## Learning Skills

Learning Skills ([mq.edu.au/learningskills](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to help you improve your marks and take control of your study.

- [Getting help with your assignment](#)
- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module](#)

The Library provides online and face to face support to help you find and use relevant information resources.

- [Subject and Research Guides](#)
- [Ask a Librarian](#)

## Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

## Student Enquiries

For all student enquiries, visit Student Connect at [ask.mq.edu.au](#)

If you are a Global MBA student contact [globalmba.support@mq.edu.au](mailto:globalmba.support@mq.edu.au)

## IT Help

For help with University computer systems and technology, visit [http://www.mq.edu.au/about\\_us/offices\\_and\\_units/information\\_technology/help/](http://www.mq.edu.au/about_us/offices_and_units/information_technology/help/).

When using the University's IT, you must adhere to the [Acceptable Use of IT Resources Policy](#). The policy applies to all who connect to the MQ network including students.

## Changes since First Published

Date	Description
18/07/ 2021	The information for Late submissions of assessments has been updated in Assessment section.