

**Commerce 3FB3  
Securities Analysis  
Spring 2024 Course Outline**

**Finance and Business Economics Area  
DeGroot School of Business  
McMaster University**

---

***INSTRUCTOR AND CONTACT INFORMATION***

---

**Section 1: Mon 18:30 – 21:30  
Wed 18:30 – 21:30**

**Hamid Khoshro,**  
Instructor

[khoshroh@mcmaster.ca](mailto:khoshroh@mcmaster.ca)

In- person Office Hours:  
Wed 5:00 PM – 6:00 PM,  
Office: GSB 105D

**Hamidreza Masoumi,**  
TA

[masoumih@mcmaster.ca](mailto:masoumih@mcmaster.ca)

Online Office hours: Thu 5:00 PM – 6:00 PM,  
A zoom link will be posted on Avenue to Learn

**Course website:** <https://avenue.mcmaster.ca>

---

***COURSE ELEMENTS***

---

Credit Value: 3	Leadership: No	IT skills: Yes	Global view: Yes
A2L: Yes	Ethics: No	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: No	Group work: Yes	Oral skills: No
Evidence-based: Yes	Experiential: Yes	Final Exam: Yes	Guest speaker(s): No

---

## ***COURSE INFORMATION***

---

This course is taught in-person. Students will gain a better understanding of both the theory and practice of investment analysis and security selection. We will talk about the investment environment and financial markets. We will study how to evaluate securities and learn about investment management and performance assessment. Numerical examples, exercises, and group assignment will make extensive use of Excel.

---

## ***IMPORTANT LINKS***

---

- [Mosaic](#)
- [Avenue to Learn](#)
- [Student Accessibility Services - Accommodations](#)
- [McMaster University Library](#)

---

## ***COURSE LEARNING OUTCOMES***

---

Upon successful completion of the course, students will:

- Possess good understanding of financial markets and instruments
- Be able to assess the risks associated with various investment strategies
- Be familiar with basic portfolio theory and able to conduct security and portfolio analysis
- Understand the various explanations of differences in average returns among assets
- Understand basic valuation techniques and how to use them to make investment decisions

---

## ***REQUIRED MATERIALS AND TEXTS***

---

### **Required Textbook:**

**Investments. Tenth Canadian Edition**, by Z. Bodie, A. Kane, A.J. Marcus, L.N. Switzer, B. Boyko, C. Panasian and M. Stapleton; McGraw-Hill Ryerson, 2022.

- [https://campusstore.mcmaster.ca/cgi-mcm/ws/txsub.pl?wsTERMG1=242&wsTERMDESC1=Spring%2FSummer+2024&wsDEPTG1=COMMERCE&wsDEPTDESC1=COMMERCE+-+Commerce&wsCOURSEG1=3FB3&wsSECTIONG1=EVE+C01&programG1=McM+aster+Undergrad+and+Graduate&crit\\_cnt=1](https://campusstore.mcmaster.ca/cgi-mcm/ws/txsub.pl?wsTERMG1=242&wsTERMDESC1=Spring%2FSummer+2024&wsDEPTG1=COMMERCE&wsDEPTDESC1=COMMERCE+-+Commerce&wsCOURSEG1=3FB3&wsSECTIONG1=EVE+C01&programG1=McM+aster+Undergrad+and+Graduate&crit_cnt=1)

The **Connect** supplementary material is optional.

All other course materials are available on Avenue to Learn

- <http://avenue.mcmaster.ca>

---

## ***EVALUATION***

---

You will be evaluated based on five components according to the weights indicated below.

Missed tests/exams receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF. Late assignments will not be accepted. Your final grade will be calculated as follows:

<b>GRADE COMPONENT</b>	<b>WEIGHT</b>	<b>DESCRIPTION</b>
<b>Engagement</b>	<b>10%</b>	Attendance & Contributions during the classes
<b>Quizzes</b>	<b>10%</b>	
<b>Assignments</b>	<b>20%</b>	There will be two group assignments
<b>Midterm Exam</b>	<b>30%</b>	In-person
<b>Final Exam</b>	<b>30%</b>	In-person (cumulative)

---

## ***COURSE DELIVERABLES***

---

### **Quizzes**

Each class will have a short quiz on the previous session to help you keep up with course material and track attendance.

### **Assignments**

There will be two group assignments. You will need to answer questions from the textbook and lectures in groups of up to 3. You may need to use Excel to answer some of the questions.

### **Midterm Exam**

There is one midterm exam that accounts for 30% of your final grade. The exam will consist of multiple choice, short-answer questions, and long-answer components and will cover material from the textbook and lectures.

## ***Final Exam***

This exam will be cumulative. There will be multiple choice, short answer and long answer questions from the textbook and lectures.

---

## ***REQUESTING RELIEF FOR MISSED ACADEMIC WORK***

---

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar "[Requests for Relief for Missed Academic Term Work](#)" and the link below;

<http://ug.degroot.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

---

## ***COURSE MODIFICATION***

---

The instructor reserves the right to modify elements of the course during the term. There may be changes to the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to **check their McMaster email and course websites weekly during the term and to note any changes.**

---

## ***ACADEMIC INTEGRITY***

---

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. **It is your responsibility to understand what constitutes academic dishonesty.**

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university. For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](#).

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one's own or for which other credit has been obtained.
- improper collaboration in group work.
- copying or using unauthorized aids in tests and examinations.

---

## **CONDUCT EXPECTATIONS**

---

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online.**

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.

---

## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

---

Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or [sas@mcmaster.ca](mailto:sas@mcmaster.ca) to make arrangements with a Program Coordinator. For further information, consult McMaster University's [Academic Accommodation of Students with Disabilities](#) policy.

---

## **ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)**

---

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar's Office prior to their examinations. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

---

### ***COPYRIGHT AND RECORDING***

---

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

---

### ***EXTREME CIRCUMSTANCES***

---

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, Avenue to Learn and/or McMaster email.

---

### ***ACKNOWLEDGEMENT OF COURSE POLICIES***

---

Your enrolment in Commerce **3FB3** will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

---

**COURSE SCHEDULE**

---

**Commerce 3FB3  
Securities Analysis  
Spring 2024 Course Schedule**

<b>WEEK</b>	<b>DATE</b>	<b>TOPICS</b>
1	Mon. May 6	<b>Financial Markets and Institutions (no quiz)</b> Read: Chapter 1, 2
1	Wed. May 8	<b>Financial Instruments and Trading</b> Read: Chapter 3, 4
2	Mon. May 13	<b>Risk and Return</b> Read: Chapter 5
2	Wed. May 15	<b>Risk and Portfolio Decisions</b> Read: Chapter 6
3	Mon. May 20	<b>NO CLASS – VICTORIA DAY</b>
3	Wed. May 22	<b>Risk and Portfolio Decisions</b> Read: Chapter 7
4	Mon. May 27	<b>Index Models</b> Read: Chapter 8
4	Wed. May 29	<b>Midterm Exam</b>
5	Mon. Jun 3	<b>CAPM/APT</b> Read: Chapter 9, 10
5	Wed. Jun 5	<b>Market Efficiency and Behavioral Finance</b> Read: Chapter 11, 12
6	Mon. Jun 10	<b>Bond Pricing, Security Analysis</b> Read: Chapter 14, 15, (16), (17), 18
6	Wed. Jun 12	<b>Portfolio Analysis</b> Read: Chapter 24, (26), (27)
7	Mon. Jun 17	<b>Review</b>
7	Wed. Jun 19	<b>Final Exam</b>

Note: The above schedule is subject to change. Please check A2L for latest updates.