

**Commerce 3FB3
Securities Analysis
Fall 2025 Course Outline**

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

INSTRUCTOR AND CONTACT INFORMATION

Section C02: Tuesday 11:30 – 14:20

Dr. Katya Malinova

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Office: DSB A106

Office Hours: TBA

Class Location: See Mosaic or A2L

Student TA

See Avenue to Learn for details

Course website: Avenue to Learn <http://avenue.mcmaster.ca>

COURSE ELEMENTS

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

COURSE INFORMATION

Lectures: 3 hours per week

Course Delivery Mode: In-person. However, in certain situations (e.g., a resurgence of Covid causing health risks), it may be necessary to switch to an on-line format. In that case, we will be using Zoom. The link will be subsequently provided.

Course Description: This course is concerned with the analysis of marketable securities, especially common stocks. Topics include: the institutional characteristics and operation of financial markets, securities analysis and valuation, investment characteristics and strategies to increase return.

IMPORTANT LINKS

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

COURSE LEARNING OUTCOMES

Upon successful completion of this course, students will be able to complete the following key tasks:

- Have a sound understanding of financial markets and instruments.
- Have a basic familiarity with portfolio theory.
- Be able to conduct basic portfolio analysis and assessment.
- Have a good understanding of basic valuation techniques and be able to use them to make investment decisions.

COURSE LEARNING GOALS

The goal of this course is to introduce students to the fundamental elements of security analysis, including financial markets and instruments, investment theory and the valuation of common securities such as bonds, stocks, and derivatives. By the end of the course, students should be able to apply the tools learned in this class to make informed investment decisions and manage portfolios of common stocks and related securities.

REQUIRED MATERIALS AND TEXTS

Required:

Avenue registration for course content, reading materials and slides:

<http://avenue.mcmaster.ca>

Textbook: Investments, 11th Canadian Edition, by Z. Bodie, A. Kane, A.J. Marcus, L.N. Switzer, M. Stapleton, D. Boyko, and C. Panasian; McGraw-Hill Ryerson, 2025.

Cost: Print text: \$159.99; e-book \$69 (180 days).

CLASS FORMAT

This is an in-person, 3-hour course. Most of the class time will be devoted to lectures, with slides provided on Avenue to Learn. We will also dedicate time to problem-solving, in-class discussion, and Q&A. A short break will be taken at a convenient point in the class, depending on the material being covered. Please use this time to take care of any personal needs.

Students will participate in a variety of learning activities, including two assignments, a midterm, and a final exam. Non-graded post-lecture quizzes and/or practice questions will also be available to help reinforce concepts. Individual assignments may require the use of Excel.

COURSE EVALUATION

You will be evaluated based on four components according to the following weights. All evaluation components are individual.

Components and Weights

Two assignments	20% (10%x2)
Midterm Test (see notes 2), 3))	40% (see note 2))
Final Exam (cumulative; see notes 2), 3))	40% (see note 2))
Total	100%

- 1) *There are two assignments. The assignments are to be submitted on the course's Avenue page, the submission may take form of A2L quiz. Students will have at least one week to do each assignment. The due dates for the assignments appear on the weekly course schedule below.*
- 2) *Both the midterm and the final exam are designed to assess understanding and critical thinking. The final exam is **cumulative**, as the course material is sequential and builds on earlier topics. You are therefore expected to be familiar with concepts covered prior to the midterm. To acknowledge this progression, if a student performs better on the final exam than on the midterm, **10% from the midterm weight will be shifted to the final**. In that case, the final will count for **50%** and the midterm for **30%** of the course grade. This adjustment can only increase the final's weight; no reverse shift will be applied.*
- 3) *The McMaster Standard Calculator is the only calculator permitted at the midterm and final exams.*

Grade Conversion

At the end of the course, a student's overall percentage grade will be converted to a letter grade in accordance with the following scheme:

Letter Grade		Percent Range	Letter Grade		Percent Range
A+		90–100	C+		67–69
A		85–89	C		63–66
A–		80–84	C–		60–62
B+		77–79	D+		57–59
B		73–76	D		53–56
B–		70–72	D–		50–52
			F		00–49

COURSE DELIVERABLES

Two assignments (to be submitted via A2L, possibly in the form of A2L quiz), a midterm, a final exam. The final exam is cumulative, as the course material is sequential and builds on earlier topics. You are therefore expected to be familiar with concepts covered prior to the midterm.

LATE ASSIGNMENTS

Each assignment will include a 30-minute grace period with no penalty, to accommodate unexpected technical issues. Beyond this grace period, late submissions will not be accepted and will instead be treated as Missed Academic Work in accordance with Missed Course Work Policy (see below).

COMMUNICATION AND FEEDBACK

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student.

*****Please reference 3FB3 in the subject line for all e-mail communications*****

In keeping with the University's academic regulations, all students who complete the required assignments and midterm will have received feedback for at least 10% of the final grade prior to the final date by which a student may cancel the course without failure by default.

Students who have concerns about the course content, evaluation methods, or delivery should first reach out to the course instructor. If your concern remains unresolved after speaking with the instructor, you may then reach out to the relevant Area Chair for further consideration.

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.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

*Non-Commerce students must follow the Missed Course Work protocols outlined by their home faculty and Program Office.

COURSE MODIFICATION

From time to time there may be a need to remove/add topics or to change the schedule or the delivery format. If these are necessary, you will be given as much advance notice as possible.

GENERATIVE AI

Students may use generative AI in this course in accordance with the guidelines outlined for each assessment, and so long as the use of generative AI is referenced and cited following citation instructions given in the syllabus. Use of generative AI outside assessment guidelines or without citation will constitute academic dishonesty. It is the student's responsibility to be clear on the limitations for use for each assessment and to be clear on the expectations for citation and reference and to do so appropriately.

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.

AUTHENTICITY/PLAGIARISM DETECTION

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. Avenue to Learn, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software. **All submitted work is subject to normal verification that standards of academic integrity have been upheld** (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

COURSES WITH AN ON-LINE ELEMENT

Some courses may use on-line elements (e.g. e-mail, Avenue to Learn, LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.

ONLINE PROCTORING

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

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 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.

TENTATIVE COURSE SCHEDULE

**Commerce 3FB3 C02: Securities Analysis
Fall 2025 Course Schedule**

Week	Date	Topics and Activities
1	Sept. 2	Investment environment; Financial markets and instruments. Interest rate preliminaries (Chapters 1, 2)
2	Sept. 9	Short-term and long-term debt securities (Chapters 2, 14). Bond Prices and Yields.
3	Sept. 16	Bonds Part 2. Term structure of interest rates. (Chapters 14, 15)
4	Sept. 23	How Securities are Traded (Chapter 3)
5	Sept. 30	National Day of Truth and Reconciliation – No class
6	Oct. 7	Risk and return. Capital Allocation to risky assets. (Chapters 5, 6)
	Oct. 14	Reading Week – No Classes
7	Oct. 21	Assignment 1: Due Oct 21, 11:59pm (coverage: weeks 1-6) Portfolio diversification (Chapter 7).
8	Oct. 28	Midterm Exam: during class time, room TBA coverage: weeks 1-7
9	Nov. 4	Index models; the Capital Asset Pricing Model (Chapters 8, 9)
10	Nov. 11	Multi-factor models; Efficient Market Hypothesis (Chapters 10, 11)

Week	Date	Topics and Activities
11	Nov. 18	Assignment 2: Due Nov 18, 11:59pm (coverage: weeks 7-10) Derivatives – Options (Chapters 20, 21)
12	Nov. 25	Derivatives – Forward and futures contracts (Chapter 22)
13	Dec. 2	Risk management using derivatives (Chapter 23)
		Final Exam (to be scheduled centrally during the final exam period). <u>Cumulative.</u>