

Georgia Institute of Technology
Scheller College of Business
Investments (MGT 3076)
Fall 2022

Instructor: Daniel Weagley

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Class Time and Location: Tuesday and Thursday 2:00PM - 3:15PM, Room 101 Scheller

Office Hours: By appointment (email to schedule a time)

TAs: TBD

Overview:

This course provides a foundation for the fundamental concepts in investments. The course will cover the trade-off between risk and return, asset allocation, portfolio theory, theories of asset pricing and efficient markets, portfolio strategies, the valuation of equity and debt securities and a broad overview of the financial markets. The course is quantitative and relies heavily on analytical tools and economic theory developed throughout the course.

Prerequisites: MGT 3062 or MGT 3078

Course Design:

The structure of the course is a *flipped*-version of a traditional course. Lecture will be in the form of short, asynchronous videos uploaded to Canvas and/or in-person. Class time will be used mainly for working on and discussing applications of the course material (in-class assignments, projects and homework problems), guest speakers, and some lecture. The amount of time spent each week on course material should not be any different than a traditional course structure. I plan to obtain feedback from students and modify the course in response to student feedback.

I will upload a checklist each week that will inform students of the material that will be covered and due dates for assignments. The Canvas calendar will also be updated with class meeting information and assignment due dates. Make sure to check Canvas daily for course updates.

Resources:

Text: Bodie, Kane and Marcus (BKM), Essentials of Investments, 12th Edition.

Course Materials: Lecture slides, homework, sample exams and additional readings will be uploaded to Canvas.

Required Software, Hardware and Subscriptions:

Software/Hardware: You will need to a computer with Microsoft Excel to complete most applications and projects.

Connect: This course requires the textbook’s Connect feature. Connect allows for online assessments and comes with an eBook. You can purchase a discounted hard copy of the textbook with the purchase of Connect. Sign up for Connect at: [LINK¹](#)

StockTrak: One of the course projects requires an account with StockTrak.com. It is a shared account with teammates and costs less than \$10 per person. Do not purchase until we start the assignment.

Piazza for Class Discussion: We will be using Piazza for class discussion. The system is highly catered to getting you help fast and efficiently from classmates, the TA, and myself. Rather than emailing questions to the teaching staff, I encourage you to post your questions on Piazza. If you have any problems or feedback for the developers, email team@piazza.com. Sign up for Piazza at: [LINK²](#)

Evaluation:

Your course grade depends on your performance on homework, exams, and class participation. Exams will cover material from lectures, assigned readings, and homework.

Overall grades for the class are based on absolute scale: A (≥ 90), B (≥ 80), C (≥ 70), D (≥ 60), and F.

Grading:

Your course grade will be weighted as follows:

Assignment	Due Date	% of Grade
<i>Exams [55%]</i>		
Exam 1	Thursday, September 29th	20%
Exam 2	Thursday, November 3rd	20%
Exam 3	Thursday, December 8th (2:40pm -5:30pm)	15%
<i>Homework and Participation [45%]</i>		
Connect Assignments	Tuesday at 1:59 p.m.	7%
Applications & Participation	-	8%
Equity Valuation Project	Thursday, September 22nd	10%
Trading Simulation Initial Report	Thursday, October 20th	4%
Trading Simulation Activity/Engagement	-	8%
Trading Simulation Final Report	Tuesday, November 29th	4%
Trading Simulation Presentation	Tuesday, November 29th	4%

Exams:

Exams are administered in person. There will be three exams. The 2nd and 3rd exams are not cumulative (i.e., the exams only cover the new material since the previous exam). You must have prior permission to make up an exam. Only a special case will be considered a reason to permit you to take an alternate exam. Students will be allowed to see their exam during a coordinated meeting

¹<https://connect.mheducation.com/class/d-weagley-mgt-3076---fall-2022>

²<https://piazza.com/gatech/fall2022/mgt3076a>

time with the professor or teaching assistant for two weeks after the exam date. After two weeks, students will no longer have access to the exam and there will be no modification to the exam grade.

Online Lectures:

Online lectures will be uploaded before class with a link on Canvas. Students will be responsible for watching the online lectures and completing the accompanying assessments.

Assignments and Participation:

Connect Problem Sets: Each week I will assign a small set of problems that highlight the important concepts covered in the lecture. These problems will be assigned via the Connect system and due **Tuesday at 1:59pm**. You will have 2 attempts to complete each weekly problem set. Some problems on the exams will be taken directly from assigned problems.

Applications: These assignments are applications of the material that we will typically complete during class time.

Participation: Participation will be based on course engagement. Students should ask and provide thoughtful questions and answers benefiting all students in online discussions and in discussing market news/events.

Team Projects:

Equity Valuation Project: Team members will work together to value the equity of a set of firms. Team members will submit a 5-minute video “pitching” an investment based on their analysis. Students will evaluate their peers investment pitches and “make an investment decision.” The team with the most willing investors will receive 1% extra credit towards their course grade. Additional details will be provided in class. Team members will be asked to rate the effort given by each group member.

Trading Simulation Project: Team members will work together to invest a \$1 million portfolio of virtual capital. Trading will start after the first exam and continue throughout the semester. We will start trading after the first exam. The top team in terms of Sharpe ratio at the start of class on the due date will get extra credit worth 1% of their overall grade.

Honor Code

It is your responsibility to familiarize yourself with the Georgia Tech Honor Code. Students are expected to follow the Honor Code. Violations of Honor Code will result to an F grade in this course. Any violation of the code will be further reported to the university.

Recording Class Sessions:

I do not plan to record or stream the in-person class meetings this semester, although the situation is dynamic and this may change. In this case, our class sessions may be audio visually recorded for use by enrolled students. Class recordings, lectures, and other classroom presentations presented through video conferencing and other materials posted on Canvas are for the sole purpose of educating the students enrolled in the course. Students may not record or share recordings, including screen capturing, unless the instructor states so or individual permission is

obtained. Exams and tests may require students to engage the video camera, but those recordings will not be shared with or disclosed to others without consent unless legally permitted. Additional information may be found [here](#).

- For classes where participation is voluntary, students who participate with their camera engaged or utilize a profile image are agreeing to have their video or image recorded.
- For classes requiring class participation, if students are identifiable by their names, facial images, voices, and/ or comments, written consent must be obtained before sharing the recording with persons outside of students in the class.

Tentative Class Schedule (subject to change):

Week	Class Topic	Homeworks and Exams
1	Syllabus and Basics of Finance	
2	Financial Statement Analysis	
3	Equity Valuation	
4	Equity Valuation continued	
5	Trading Securities	Stock Pitch Project
6	Exam 1	Exam 1
7	Risk, Return and Portfolio Math	
8	Efficient Diversification	
9	Single-Index Model & CAPM No Class Tuesday, October 18th (Fall Break)	Initial Trading Simulation Report
10	Multi-factor Models	
11	Exam 2	Exam 2
12	The Efficient Market Hypothesis Behavioral Finance	
13	Fixed Income	
14	Fixed Income Thanksgiving Week: No In-Person Class	
15	Presentations	Trading Simulation Report
16	Presentations/Flex	
Final	Final Exam Week	Exam 3

Support Services and Resources:

In your time at Georgia Tech, you may find yourself in need of support. Below you will find some resources to support you both as a student and as a person.

Academic Support:

- Center for Academic Success
 - 1-to-1 tutoring: <http://success.gatech.edu/1-1-tutoring>
 - Peer-Led Undergraduate Study (PLUS): <http://success.gatech.edu/tutoring/plus>
 - Academic coaching: <http://success.gatech.edu/coaching>
 - <http://success.gatech.edu>
- Residence Life's Learning Assistance Program
 - Drop-in tutoring for many 1000 level courses
 - <https://housing.gatech.edu/learning-assistance-program>
- OMED: Educational Services
 - Group study sessions and tutoring programs
 - <http://omed.gatech.edu/programs/academic-support>
- Communication Center
 - Individualized help with writing and multimedia projects
 - <http://www.communicationcenter.gatech.edu>
- Academic advisors for your major
 - <http://advising.gatech.edu/>

Personal Support:

- The Office of the Dean of Students:
 - URL: <http://studentlife.gatech.edu/content/services>
 - Phone: 404-894-6367
 - Location: Smithgall Student Services Building 2nd floor
 - You also may request assistance at:
https://gatech-advocate.symplicity.com/care_report/index.php/pid383662?
- Counseling Center:
 - URL: <http://counseling.gatech.edu>
 - Phone: 404-894-2575
 - Location: Smithgall Student Services Building 2nd floor
 - Services include short-term individual counseling, group counseling, couples counseling, testing and assessment, referral services, and crisis intervention. Their website also includes links to state and national resources.
 - Students in crisis may walk in during business hours (8am-5pm, Monday through Friday) or contact the counselor on call after hours at 404-894-2204.

- Students' Temporary Assistance and Resources (STAR):
 - URL: <http://studentlife.gatech.edu/content/need-help>
 - Can assist with interview, clothing, food, and housing needs
- Stamps Health Services:
 - URL: <https://health.gatech.edu>
 - Phone: 404-894-1420
 - Primary care, pharmacy, women's health, psychiatry, immunization and allergy, health promotion, and nutrition
- OMED: Educational Services:
 - URL: <http://www.omed.gatech.edu>
- Women's Resource Center:
 - URL: <http://www.womenscenter.gatech.edu>
 - Phone: 404-385-0230
- LGBTQIA Resource Center:
 - URL: <http://lgbtqia.gatech.edu/>
 - Phone: 404-385-2679
- Veteran's Resource Center::
 - URL: <http://veterans.gatech.edu/>
 - Phone: 404-385-2067
- Georgia Tech Police: 404-894-2500

National Resources:

- The National Suicide Prevention Lifeline
 - Provides free and confidential support 24/7 to those in suicidal or emotional distress
 - Phone: 1-800-273-8255
- The Trevor Project
 - Provides crisis intervention and suicide prevention support to members of the LGBTQ+ community and their friends.
 - Phone: 1-866-488-7386; available 24/7
 - Chat: <http://www.thetrevorproject.org>; 3-10pm Eastern, 7 days a week
 - Text: Text "Trevor" to 1-202-304-1200; available 3-10pm, M-F.

Statement of Intent for Classroom Inclusivity

As a member of the Georgia Tech community, I am committed to creating a learning environment in which all of my students feel safe and included. Because we are individuals with varying needs, I am reliant on your feedback to achieve this goal. To that end, I invite you to enter into dialogue with me about the things I can stop, start, and continue doing to make my classroom an environment in which every student feels valued and can engage actively in our learning community.