

Georgia Institute of Technology
Scheller College of Business
Investments (MGT 6080)
Fall 2023

Instructor: Daniel Weagley

Office: Scheller 412

E-mail: daniel.weagley@scheller.gatech.edu

Class Time and Location: Thursday 6:30PM - 9:15PM, 222 Scheller

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

TAs: Yue (Fred) Hu (yue.hu@gatech.edu)

Overview:

This course provides an overview of financial markets and a sound foundation for the fundamental concepts in investments. The course will cover the concepts of risk and return, asset allocation, portfolio theory, theories of asset pricing and efficient markets, portfolio strategies and performance evaluation methods. The course is quantitative and relies heavily on analytical and computational (Excel) tools.

Prerequisites:

MGT 6504

Course Layout:

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 supplemented with in-person lectures. We will spend the majority of class time working on and discussing applications of the course material (in-class assignments, projects and homework problems). The amount of time spent each week on course material should not be any different than a traditional course structure. I hope to obtain frequent 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.

Resources:

Course Materials: Materials for this course will be broken into modules and housed on Canvas. I will upload lecture notes, lecture videos, homework, sample exams and additional readings to Canvas. Students will be responsible for purchasing cases.

Text (optional, but helpful): Bodie, Kane and Marcus (BKM), Investments, 10th or 11th Edition.

Required Software, Hardware and Subscriptions:

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

Cases: We will use cases from Harvard Business Publishing. Do not purchase cases until assigned. Sign-up here: [Link](#)¹.

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.

Student Effort

Students are expected to devote 8 hours per week to complete the course requirements. This guideline encompasses all class activities, including course readings, attending class sessions, watching videos, participating in office hours and forum discussions, completing assignments, and studying for exams. Of course, students can spend as much time as necessary, but it is important to be careful not to fall behind.

Communication:

Instructor Communication: Important communication from your instructor will take place in Canvas or in the classroom. You are expected to check Canvas every day for important course-related information. However, by following the instructions provided in the course, you can also ensure that you do not miss important instructions, announcements, etc. by adjusting your account settings to receive important information directly to your email account or cell phone. For more details, log into the Canvas, enter the course, and see the section entitled “Before You Begin: Instructions for Getting Started.”

Content Questions and Help: Because questions can often be addressed for the good of the group, please do not email your questions directly to the instructor. Instead, course and content questions will be addressed on the Canvas Discussion Board.

Office Hours: Office hours will be by appointment. Zoom is typically the most convenient way to meet. Please email me to set up a time to meet.

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](#).

¹<https://hbsp.harvard.edu/import/1076278>

- 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.

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.

Grades:

Your course grade will be weighted as follows:

Assignment	Due Date	% of Grade
<i>Exams [52%]</i>		
Exam 1	Thursday, October 5th	22%
Exam 2	Thursday, November 30th	30%
<i>Assignments and Participation [18%]</i>		
Weekly Assessments	Thursday at 6:25 p.m.	8%
Applications and Participation	-	10%
<i>Larger Assignments [30%]</i>		
Stock Pitch Report	Thursday, September 28th	5%
Stock Pitch Presentation	Thursday, September 28th	5%
Trading Simulation Initial Report	Sunday, October 29th	5%
Trading Simulation Activity	-	5%
Trading Simulation Presentation	Thursday, December 7th	5%
Trading Simulation Final Report	Thursday, December 7th	5%

Exams:

There will be two exams. There will not be a final exam. You must have prior permission to make up an exam. Exams will not be handed back. Students will be allowed to see their exam during a coordinated meeting 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. **The second exam is not cumulative.**

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:

Weekly Assessments: Short assessments will accompany the online lecture videos. These assessments will be due **Thursday at 6:25 p.m.**

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

Attendance: I will take attendance randomly throughout the semester at least 5 times. Please let me know if you plan to miss a class. Most likely, it will be considered excused. Everyone gets one unexcused absence.

Team Projects:

Teams: Students will form teams of two to three members. Teams will complete the equity investment pitch and the trading simulation together. Team members will be asked to rate the effort given by each group member on each assignment.

Stock Pitch: Team members will work together to evaluate the equity of a company and its peer firms using techniques used in class. Team members will create a short 5-minute video “pitching” the 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 0.5% extra credit. Additional details will be provided at the time the project is assigned.

Trading Simulation: Team members will work together to invest \$1M of virtual capital over a multi-week period. The portfolio will be invested partially based on a professional money management strategy. The assignment will consist of weekly trading, an initial written report, a final written report and a presentation. We will start trading after the first exam. **The top group in terms of Sharpe ratio as of the close of markets on the project due date will receive 0.5% extra credit towards their overall class grade.**

Peer Evaluation: At the conclusion of each project, I will ask you to evaluate your group members according to a rubric that I will provide for you. The assessment is confidential. The peer assessment component of your grade is based on the average score you receive from your other group members.

Honor Code:

You are responsible for completing your own work. All students are expected and required to abide by the letter and the spirit of the Georgia Tech Honor Code, which can be found at <http://osi.gatech.edu/content/honor-code> . Any student suspected of behavior in violation of the Georgia Tech Honor Code will be referred to Georgia Tech’s Office of Student Integrity. Please feel free to ask me if you need additional clarifications about this issue.

AI Policy:

AI tools like large language models (e.g., ChatGPT) can significantly increase our productivity and enhance the learning experience. Reliance on LLMs can also hinder knowledge acquisition if used to complete assignments without critically thinking about their output. In this class, you are not allowed to use LLMs to complete the homework assignments or produce case write-ups. This will not improve your understanding of the material. You are allowed to use LLMs to learn about class concepts, test your ideas, and revise your writing. If you feel there are other potentially valuable

use cases, please let me know.

Plagiarism:

Plagiarism is considered a serious offense. You are not allowed to copy and paste or submit materials created or published by others, as if you created the materials. All materials submitted and posted must be your own original work.

Tentative Class Schedule (subject to change):

Week	In-Class	Assignments and Exams
1	Introduction to Investments Review of MGT 6054	
2	Financial Statement Analysis	
3	Equity Valuation	
4	Equity Valuation	
5	How to Trade Securities	
6	Stock Pitches	Stock Pitch Assignment Due
7	Exam I	Exam I
8	Portfolio Optimization	
9	Portfolio Optimization	
10	CAPM	
11	Multi-factor Models	
12	Multi-factor Models	
13	Performance Evaluation	
14	Thanksgiving	
15	Exam II	Exam II
16	Trading Simulation Presentation	Trading Simulation Report Due

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.