



Finance (FNCE) 401

Investments (Revision 9)

Status:

Replaced with new revision, see the [course listing](#)  for the current revision 

Delivery mode:

Individualized study online  . Delivered via Brightspace.

Credits:

3

Area of study:

Applied Studies (Business and Administrative Studies)

Prerequisites:

FNCE 370  . **MATH 260**  or equivalent is recommended.

Precluded:

FNCE 349 (FNCE 401 may not be taken for credit if credit has already been obtained for FNCE 349).

Challenge:

FNCE 401 has a challenge for credit option.

Faculty:

Faculty of Business 

Overview

This course comprehensively examines the theories, methods, and strategies required for successful investments in financial markets. Major topics include financial instruments, portfolio theory, capital asset pricing model, market efficiency, financial securities analysis, derivative securities, and active portfolio management.

Outline

Unit 1: Introduction to Investments

- Lesson 1: The Investment Environment
- Lesson 2: Financial Markets and Instruments
- Lesson 3: Trading on Securities Markets

Unit 2: Portfolio Theory

- Lesson 4: Return and Risk: Analyzing the Historical Record
- Lesson 5: Risk Aversion and Capital Allocation to Risky Assets
- Lesson 6: Optimal Risky Portfolios

Unit 3: Equilibrium in Capital Markets

- Lesson 7: CAPM, Index Models, and Arbitrage Theory
- Lesson 8: Market Efficiency, Behavioural Finance, Technical Analysis, and Empirical Evidence

Unit 4: Fixed Income Securities

- Lesson 9: Bond Prices and Yields
- Lesson 10: The Term Structure of Interest Rates
- Lesson 11: Managing Bond Portfolios

Unit 5: Equities

- Lesson 12: Security Analysis
- Lesson 13: Financial Statement Analysis

Unit 6: Derivative Assets

- Lesson 14: Options and Other Derivatives
- Lesson 15: Option Valuation
- Lesson 16: Futures and Forward Markets

Unit 7: Active Portfolio Management and International Investing

- Lesson 17: Active Management and Performance Measurement, Investment Policy, and the CFA Institute
- Lesson 18: Managed Funds and Hedge Funds
- Lesson 19: International Investing

Objectives

Students who complete this course successfully will

- gain a comprehensive understanding of the theories, methods, and strategies required for successful investments in financial markets;
- develop a good command of financial investment principles and methods; and
- acquire an ability to make sound investment decisions.

Evaluation

Your final mark for FNCE 401 will be calculated based on your performance on four assignments and a final examination. To **receive credit** [↗](#) for FNCE 401, you must achieve 50 percent on the final examination and a course composite grade of at least **D (50 percent)** [↗](#). You are strongly encouraged to complete all four assignments—you will receive a zero (0) for any missed assignment. The weighting of each assessment activity is indicated in the chart below.

Activity	Weight
Assignment 1	15%
Assignment 2	15%
Assignment 3	15%
Assignment 4	15%
Final Online Exam	40%
Total	100%

The **final examination** for this course must be requested in advance and written under the supervision of an AU-approved exam invigilator. Invigilators include either ProctorU or an approved in-person invigilation centre that can accommodate online exams. Students are responsible for payment of any invigilation fees. Information on exam request deadlines, invigilators, and other exam-related questions, can be found at the [Exams and grades](#)  section of the Calendar.

Materials

Digital course materials

Links to the following course materials will be made available in the course:

Bodie, Z., Kane, A., Marcus, A. J., Switzer, L. N., Boyko, D., Panasian, C., & Stapleton, M. (2022). *Investments* (10th Cdn. ed.). McGraw-Hill Ryerson. ISBN 9781259271939

Other Resources

All other learning resources will be available online.

Challenge for credit

Overview

The challenge for credit process allows you to demonstrate that you have acquired a command of the general subject matter, knowledge, intellectual and/or other skills that would normally be found in a university-level course.

Full information about [challenge for credit](#)  can be found in the Undergraduate Calendar.

Evaluation

To **receive credit**  for the FNCE 401 challenge registration, you must achieve a grade of at least **D (50 percent)**  on the examination.

- Online Exam (3 hours)



Challenge for credit course registration form

Important links

- › [Academic advising](#) 
- › [Program planning](#) 
- › [Request assistance](#) 
- › [Support services at AU](#) 

Athabasca University reserves the right to amend course outlines occasionally and without notice. Courses offered by other delivery modes may vary from their individualized study counterparts.

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View **previous revision** 
