



DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION

COURSE OUTLINE – Winter 2025

BA2040 (A3/B3): Investment Fundamentals – 3 (3-0-0) UT 45 Hours for 15 Weeks

Northwestern Polytechnic acknowledges that our campuses are located on Treaty 8 territory, the ancestral and present-day home to many diverse First Nations, Metis, and Inuit people. We are grateful to work, live and learn on the traditional territory of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation, who are the original caretakers of this land.

We acknowledge the history of this land, and we are thankful for the opportunity to walk together in friendship, where we will encourage and promote positive change for present and future generations.

INSTRUCTOR: Lori Bombier

OFFICE: C410

OFFICE HOURS: Tuesday & Thursday 11:30 am – 12:50 pm

PHONE: 780-539-2711

E-MAIL: LBombier@nwpolytech.ca

*All email correspondence must be sent from your NWP student email account and professionally formatted (i.e., subject line filled in, proper greeting, spelling, grammar check, etc...). Emails that do not follow the above requirements will not be responded to.

CALENDAR DESCRIPTION: This course covers the basic principles of investment and taxation. The course explores the structure of personal taxation including the calculations of income deductions and credits. The fundamental investment concept of risk and return, and different types of investment products available in the marketplace are topics included in this course.

PREREQUISITE: BA1050 and BA 1110

REQUIRED TEXT/RESOURCE MATERIALS:

Investments: 10th Canadian Edition, McGraw-Hill Ryerson.

Bodie, Kane, Marcus, Switzer, Boyko, Panasian, Stapleton.

All students must have access to Connect.



Bodie (CDN),
Investments, 10ce
Zvi Bodie, 10cee

You must have an access code to gain access to the online resources. McGraw-Hill Connect™ is a web-based assignment and assessment platform that gives students the means to better connect with their coursework, and with the important concepts that they will need to know for success now and in the future. **If you have purchased a used book, you will have to purchase an access code separately.** Instructions to do this are available in the Registration Module.

All students must have access to How the Market Works. How the Market Works is a web-based investment simulation platform that gives students the means to better connect with their coursework.

Sharp EL - 738 Calculator

DELIVERY MODE(S): BA2040 consists of three hours of lecture per week. Attend On-Campus, In-Person.

LEARNING OUTCOMES:

- The student will be able to calculate expected returns and variances for a security.
- The student will be able to calculate expected returns and variances for a portfolio.
- The student will understand the importance of portfolio diversification and the importance of asset allocation.
- The student will understand the difference between expected and unexpected returns.
- The student will understand the difference between systematic risk and unsystematic risk.
- The student will understand the security market line and the capital asset pricing model.
- The student will be able to calculate the best-known portfolio evaluation measures.
- The student will be able to calculate a Sharpe-optimal portfolio.
- The student will understand the basics of futures markets and how to obtain price quotes for futures contracts.
- The student will understand the risks involved in futures market speculation.
- The student will understand the basics of option contracts and how to obtain price quotes.
- The student will be able to price options using the one-period and two-period binomial models.
- The student will be able to price options using the Black-Scholes model
- The student will understand the basic types of corporate bonds.
- The student will be able to explain how callable and convertible bond's function.
- The student will understand the process of top-down analysis.
- The student will be able to explain the importance of the required rate of return.
- The student will be able to explain the relationship of monetary and fiscal policies to economic activity.
- The student will be able to identify industry sensitivity to business cycles.
- The student will be able to evaluate future industry prospects by analyzing the business cycle.
- The student will be able to define fundamental analysis at the company level.
- The student will be able to describe the importance of EPS forecasts.
- The student will be able to estimate the P/E ratio of a company.
- The student will be able to use the beta coefficient to estimate the risk of a stock.
- The student will be able to define options and discuss why they are used.
- The student will be able to describe how options work and give some basic strategies.
- The student will be able to describe the structure of futures markets.
- The student will be able to describe the steps involved in the portfolio management process.
- The student will be able to assess related issues such as asset allocation.
- The student will be able to use measures of return and risk to evaluate portfolio performance.

TRANSFERABILITY:

Please consult the Alberta Transfer Guide for more information. You may check to ensure the transferability of this course at the Alberta Transfer Guide main page <http://www.transferalberta.alberta.ca>.

** Grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. **Students are cautioned that it is their responsibility to contact the receiving institutions to ensure transferability**

EVALUATIONS:

Homework Assignments (Each Weighted Equally)	10%
Quizzes (Each Weighted Equally)	5%
Stock Market Game	13%
Exam #1	32%
Final Exam (cumulative) – 2 Hours	40%

GRADING CRITERIA:

*Please note that most universities will not accept your course for transfer credit **IF** your grade is **less than C-**.*

Alpha Grade	4-point Equivalent	Percentage Guidelines		Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	95-100		C+	2.3	67-69
A	4.0	85-94		C	2.0	63-66
A-	3.7	80-84		C-	1.7	60-62
B+	3.3	77-79		D+	1.3	55-59
B	3.0	73-76		D	1.0	50-54
B-	2.7	70-72		F	0.0	00-49

COURSE SCHEDULE/TENTATIVE TIMELINE:

Date (Monday of each week)	Section Covered	Connect Quizzes	Connect Assignments	Exams
1/6/2025	Introduction Ch. 5	✓	✓	
1/13/2025	Ch. 6			
1/20/2025	Ch. 6	✓	✓	
1/27/2025	Ch. 7	✓	✓	
2/3/2025	Ch. 7 & 8	✓	✓	
2/10/2025	Ch. 8	✓	✓	
2/17/2025		WINTER	BREAK	
2/24/2025	Ch. 17	✓		Exam #1 Feb. 26th
3/3/2025	Ch. 19	✓		
3/10/2025	Ch. 20	✓	✓	
3/17/2025	Ch. 20 & 21	✓	✓	
3/24/2025	Ch. 21 & 22	✓	✓	
3/31/2025	Ch. 24	✓	✓	
4/7/2025	Ch. 25	✓	✓	
April 14th – 23rd	FINAL Exam	Scheduled	By The	Registrar's Office

STUDENT RESPONSIBILITIES:

Please find the student rights and responsibilities policy here:

<https://www.nwpolytech.ca/about/administration/policies/fetch.php?ID=69>

STATEMENT ON ACADEMIC MISCONDUCT:

Academic Misconduct will not be tolerated. For a more precise definition of academic misconduct and its consequences, refer to the Student Rights and Responsibilities policy available at <https://www.nwpolytech.ca/about/administration/policies/index.html>.

**Note: all Academic and Administrative policies are available on the same page.

Additional Information: IMPORTANT Assignment, Quiz and Exam Policies:

Assignments:

- There will be CONNECT homework assignments dispersed throughout the semester that will account for 10% of the student's final grade (see Connect for dates). Each homework assignment will be weighed equally, regardless of the length of the assignment. The student will have a maximum of 2 attempts at each assignment.
- The CONNECT assignments will be marked immediately and the student will receive their grade immediately. Corrections for the attempted assignment will be made available immediately for the student.
- All assignments must be completed before the expiration of the pre-set due date, or the student will receive a mark of zero for any missed assignments

Quizzes:

- There will be CONNECT quizzes dispersed throughout the semester that will account for 5% of the student's final grade (see Connect for dates).
- Each chapter covered in the text(s) will have an associated quiz that the students must complete.
- Each quiz will be weighed equally, regardless of the length of the assignment. The student will have a maximum of 2 attempts at each assignment.
- The quizzes will mostly be theory based multiple choice questions.
- The quizzes will be marked and corrections for the attempted quiz will be made available to the student after the due date.
- All quizzes must be completed before the expiration of the pre-set due date, or the student will receive a mark of zero for any missed quizzes (see schedule for dates).
- Once the quiz has started, you must complete the entire quiz within the time limit.
- Logging off or losing the internet connection during the exam will result in a grade based only on the proportion of the exam that has been completed. It is imperative that the student has a reliable internet connection when attempting an exam. This is the responsibility of the student, not the instructor.
- The student will be given two attempts at each quiz.

Learn Smart Modules

- Each chapter covered in the text will have an associated SB lesson that the students must complete.
- Interactive scenes in the Lessons (within the pre-set due date) are locked for students to attempt correctly. Students will need to work through them and answer questions correctly to unlock them. Once a lesson is unlocked, they can freely go back and forth for practice.

