

Trading and Investing (Postgraduate) **BUS-ISS415**

Course Description

This course provides an introduction to the functioning of financial markets and the fast changing field of market microstructure. The course is designed to help the students to better understand the complex modern financial markets, effectively process and communicate relevant market information, and make educated investment decision. The students will also learn how to use modern technology to execute trades in the markets.

Required Texts

Financial Trading and Investing, 2nd Edition by John Teall

Other Reading materials will be provided through your student center

Prerequisite

Postgraduate status needed. Students are assumed to have knowledge that is required for this course.

Course Requirements

Course Component	Weight
Midterm Exam	30%
Final Exam	40%
Trading Project	20%
Participation	10%

Learning Outcomes

- Possess a firm understanding of trading in modern financial markets
- Demonstrate the ability to integrate concepts across the business curriculum
- Make educated investment decision based on relevant market information
- Solve business problems by employing appropriate analytical models and tools
- Utilize modern technology to execute trades in today's market
- Develop the ability to think critically
- Communicate trading issues and strategies effectively

Evaluation and Grading

A	93-100	B-	80-82	D+	67-69
A-	90-92	C+	77-79	D	63-66
B+	87-89	C	73-76	D-	60-62
B	83-86	C-	70-72	F	0-59

Course Hours

The course has 20 class sessions in total. Each class session is 150 minutes in length, for a total of 3000 minutes of in-class time. Students are expected to spend 15-20 hours per week outside of class. The University awards **4** credits for this course. Different universities may count course credits differently. Consult officials at your own home institution.

Attendance

Occasionally, due to illness or other unavoidable circumstance, a student may need to miss a class. The University's policy requires a medical certificate to be excused. Any absence may impact on the student's grade. Moreover, the University's **policy is that a student who has more than 3 absences will fail the course. Arriving late or leaving early will count as a partial absence.**

Academic Honesty

The University expects all students to do their own work. Instructors will fail assignments that show evidence of plagiarism or other forms of cheating and will also report the student's name to the University administration. A student reported to the University for cheating is placed on disciplinary probation; a student reported twice is suspended or expelled.

Disability Accommodation

Any student who needs special accommodation due to the impact of disability should inform the University within 10 days before the program starts.

Course Schedule and Topics

Period	Contents	Readings
1	• Introduction to Securities Trading and Markets	CH 1
2	• Financial Markets, Trading Processes, and Instruments	CH 2
3	• Institutional Trading	CH 3
4	• Regulation of Trading and Securities Markets	CH 4
5	• Adverse Selection, Trading, and Spreads	CH 5
6	• Random Walks, Risk and Arbitrage	CH 6
7	• Random Walks, Risk and Arbitrage	CH 6
8	• Arbitrage and Hedging with Fixed Income Instruments and Currencies	CH 7
9	• Arbitrage and Hedging with Fixed Income Instruments and Currencies	CH 7
	Midterm Exam	
10	• Arbitrage and Hedging with Options	CH 8
11	• Arbitrage and Hedging with Options	CH 8
12	• Evaluating Trading Strategies and Performance	CH 9
13	• Evaluating Trading Strategies and Performance	CH 9
14	• The Mind of the Investor	CH 10
15	• The Mind of the Investor	CH 10
16	• Market Efficiency	CH 11
17	• Trading Gone Awry	CH 12
18	• Project Presentation	
19	• Project Presentation	
20	• Final Exam	