

**Georgia Institute of Technology**  
**Scheller College of Business**  
**MGT 3078 - Finance & Investments**  
**FALL 2026**

**Professor:** Alex Hsu, Ph.D.

**Time and Location:** Tu, Th 2:00 - 3:15 PM, Scheller 101

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**Office Hours:** By appointment, Zoom

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**TA Office Hours:** Thursday 3:30 - 5:00 PM, Scheller 4274

**Follow Me:** @MGoFinance on Twitter

## Course Description

This course provides a sound foundation for the fundamental concepts in investments. We 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 tools. Basic knowledge of algebra, calculus, statistics and programming (Stata, R, or Python) is necessary to complete course assignments.

## Course Structure

- We meet twice a week in person.
- Time in class will be used to go through lecture slides and examples.
- Assignments and the project are done in groups.
- One midterm and one final are performed individually.
- Communication channel is always open through email, Canvas, Twitter, etc.

## Required and Suggested Texts

Required: *Investments*, 2024, Bodie, Kane, and Marcus, McGraw Hill.

Suggested: *Financial Decisions and Markets: A Course in Asset Pricing*, 2018, John Y. Campbell, Princeton University Press. Not required for the course.

## Rules and Suggestions

- During the first ten minutes of most classes, we will look at recent articles on The Wall Street Journal, The Economist, and other relevant sources. The articles that I select will touch on the issues of business ethics in the financial industry and how government regulations are designed to help address them. You are expected to participate in this class discussion.
- 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.
- 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.
- 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.

## Statement on Artificial Intelligence

AI is a tool to be embrace in our daily lives. However, we need to be smart with AI use in the classroom to preserve academic integrity. For that reason, the final exam will be administered in class on pen and paper. I will not stop you (almost impossible) from using AI to help with homework assignments. However, if you do not understand the concepts taught in the class due to overreliance on AI, it will significantly hurt your performance on the final. Finally, I reserve the right to check your submitted reports using the AI detection tool. It is considered a violation of the GT academic honor code to use AI to generate submissions. Please see the “USG Student Guide to Generative AI Literacy” PDF I have included in our class folder under Syllabus.

## Prerequisites

Basic probability and statistics.

## Evaluation

Your grade will be based on the following weighted average:

Midterm	20%
Final	30%
Assignments	30%
StockTrak Project	15%
Participation/Attendance	5%

- **Class Exams:** 75 minutes for the midterm and 90 minutes for the final, closed-book, non-programmable calculator only. Formula sheets will be presented one lecture prior to each examination. I have a strict rule of **NOT** answering any questions during the exam unless you believe that I made a mistake in setting up the problems. The midterm will be administered via Canvas. **I will require you to turn in your scratch paper after each test as proof of work.** The final exam will be in-person during the assigned exam slot given by Georgia Tech.
- **Assignments:** There will be four assignments during the semester. The first assignment is worth 6%. The remaining three assignments are each worth 8% of your total mark. Students are encouraged to work in groups of four people and hand in a single well-presented report. Typed reports in L<sup>A</sup>T<sub>E</sub>X are preferred. If not, please make them as neat as possible. The report will be marked based on the results as well as on its presentation. I will assign you into groups for the first assignment. After, you can choose your own group of four students. However, your group members for the second to fourth assignments must be the same. All assignments must be submitted via Canvas by the beginning of class on the due date, **NO EXCEPTION!**
- **StockTrak:** Team members will work together to create and implement an investment strategy. The purpose is to provide you with the opportunity to engage in actual portfolio management activities. The project should serve as a useful way of applying concepts you learn during the course. The trading simulation will be worth 15% of your course grade. The initial report will be worth 5% of your overall grade, the final report will be worth 5% of your overall grade, and 5% of your overall grade will be based on your implementation and trading activity. You will be asked to evaluate your teammates' contributions. I will consider your teammates' evaluations of your effort when determining your grade.
- **Participation:** Participation is 5% of your mark. For some classes, you will be working with Excel spreadsheets. If you do not come to class, you will not learn the materials and hence will not be able to do your assignments. If you have a prior engagements that must subject you to a class absence, please notify me before the class through e-mail. I will take attendance sporadically at the beginning of some of the classes.

- **Re-grading:** All re-grade requests must be made in writing within one week following the day that the class tests are returned. If you submit a question to be re-graded, your entire test must be re-graded. As a consequence, the mark from your re-graded test could be higher or lower. Regardless, the mark from your re-graded test is final.
- **Final letter grade:** Your final letter grade for the course will be based on your performance relative to the class distribution. This means the class will be curved. I typically shoot for 40% A's, 50% B's, and 10% C's. However, the letter grade cutoffs are not rigid and depend on the overall evaluation of the class. For example, if you achieve a 90% or better for the course, you are guaranteed to get an A.

## Class Etiquette

I welcome questions during lectures. Feel free to stop me to ask a question during my teaching. At the same time, I ask that you follow some simple courtesy rules during class: arrive on time, do not leave during class, do not talk while I am talking, do not talk while your peer is asking a question, and make sure computers are put away and cell phones are turned off. I ask that you do not use email or visit social network sites, i.e. Facebook, Twitter, Instagram during class.

## Georgia Tech Policy

Students are expected to adhere to the Georgia Tech Honor Code. Substantial documentation on the code is available at: [www.honor.gatech.edu](http://www.honor.gatech.edu). Please feel free to ask me if you need additional clarification about this issue. Cheating and plagiarism of any kinds will not be tolerated in this course.

## Acknowledgements

Some of the materials that I use in this course are drawn from my colleagues. I thank Daniel Weagley and Bob Dittmar for sharing their course material with me.