SAMPLE SYLLABUS. Enrolled students will receive the finalized syllabus prior to the start of the program.

Econ 4: *Introduction to Investments*

UCLA Summer, 2026

Syllabus

Instructors: Dr. Patrick Convery
Office: via Zoom
Office Hours: 6:00-7:00PM on Wednesdays
Email: pconvery@ucla.edu

Lecture Time and Location

- 7:00 PM - 9:00 PM, Pacific Daylight time (PDT)
- Location: via Zoom
- Note that students will also have many other activities with their PLFs on most days.

Course Description

- Units: 4. Lecture: two hours, daily.
- Grading: Letter grade. Option for P/NP grading if requested.

This course provides a broad introduction to finance, investing and related methods. No previous financial, economic or math background is needed. This class does not count for credit toward a major, but it's an excellent introduction to career paths in finance and for those who want to increase their financial literacy.

Students will learn organizing frameworks with which to understand the investing landscape, highlighting key concepts and methodologies related to business and personal investments. Specific topics covered include why financial markets exist and how they work, efficient market hypothesis, the rationale and application of risk versus reward concepts, investment styles, valuation techniques, simple quantitative analysis, the power of compound interest, financial crises in history, an overview of private equity,

venture capital, innovation and start-ups, and discuss investors such as Warren Buffet and the role of personal financial advisors.

Learning Outcomes

1. Understand the structure of US and global financial markets, why they exist and how they work, and be able to see how they impact our daily lives.
2. To be introduced to valuation styles and historical risk and returns.
3. An understanding of what is meant by an efficient market and why it matters when making investment decisions.
4. Gain insight into the power of compounding interest, time value of money, net present value, the impact of management fees, and historical rates of return for various investment classes.
5. Achieve a solid financial literacy foundation.
6. Gain the tools needed to begin a personal financial plan

Computation of the Course Grade

The course is **letter grading basis.** There is an option for P/NP basis. Course evaluation is based on class participation (10%), homework (30%), one midterm exam (30%) and a Final exam (30%). The 6 homework assignments, will be done with your PLFs. Each homework assignment is 5% of your grade.

Tentative Course Schedule and Readings

Lecture	Topic
Part 1	**Investing Frameworks I** • How to Value a Money Machine • Time Value of Money • Net Present Value • How markets work and why they exist

Part 2	**Investing Frameworks II**
	• Cycles
	• Bubbles!
	• Compounding
	  ▪ Case Study: *Tulip Mania!*
	  ▪ Case Study: watch *The Big Short,* at home
	  ▪ Case Study: *220 years of Returns*

Midterm Exam: *Tuesday via ZOOM, July 21, 3:00PM-5:00PM PST*

Part 3	**Investing Frameworks III** • Risk & Return • Diversification • Passive vs. Active • Value vs. Growth

Part 4	**Investing Implementation**
	• alpha
	• Financial Statements
	• Personal Finance
	  ▪ Case Study: *Investment Advice on a Post-card*
	  ▪ Case Study: *Magic Formula Investing*

Part 5	**Careers in Investing** • Career Paths • The impact of Big Data • College Majors for Investing • Investing experience before graduation

Final Exam: *via ZOOM, Thursday, July 30, 4:00PM-6:00 PM PST*

Course Readings – *selections from journals, newspapers, and books*

1. (required) *The Little Book of Common Sense Investing,* John Bogle.
    - *Note that this book can be purchased via Amazon or you can access it digitally from the UCLA library for unlimited use download by UCLA students at this URL: https://search.library.ucla.edu/permalink/01UCS_LAL/192ecse/cdi_safari_books_v2_9781119404507*
2. (suggested) *Stocks for the Long Run,* Jeremy S. Siegel.
3. (suggested) *A Random Walk Down Wall Street,* Burton G. Malkiel.

Here are short readings or videos which we will cover in class. Typically I ask students to read/watch these the day before we discuss them in class:

- *Berkshire Hathaway Letters to Shareholders*, by Warren Buffet - free download at: https://www.berkshirehathaway.com/letters/letters.html
- *The Superinvestors* by Warren Buffett - https://www8.gsb.columbia.edu/sites/valueinvesting/files/files/Buffett1984.pdf
- *Everything You Need to Know About Finance and Investing in Under an Hour* by William Ackman: https://www.youtube.com/watch?v=WEDIj9JBTC8&t=1s
- Ray Dalio - multiple lectures found free on YouTube, including the following:
    - *How the Economic Machine Works* by Ray Dalio: https://www.youtube.com/watch?v=PHe0bXAIuk0&t=733s
    - *Principles for Dealing with the Changing World Order* by Ray Dalio: https://www.youtube.com/watch?v=xguam0TKMw8&t=1983s

The remaining books in the list below are ***completely optional*** and are not required to do well in the class. However, if you want to learn more beyond this class, and if you are curious about a particular topic, I encourage you to explore any of the book(s) below to read more. Most of them are very entertaining as well as informative.

4. *Ascent of Money – A Financial History of the World,* Niall Ferguson.
5. *Against the Gods: The Remarkable Story of Risk*, Peter L. Bernstein.
6. *Mastering the Market Cycle*, Howard Marks.
7. *The Most Important Thing - Illuminated*, Howard Marks.
8. Movie: *The Big Short* (note that this movie is rated R)
9. Movie: *Margin Call* (note that this movie is rated R)

10. *Fooled By Randomness,* Nassim Nicholas Taleb.
11. *Liar's Poker, Michael Lewis.*
12. *The Little Book that Beats the Market,* Joel Greenblatt.
13. *The Essays of Warren Buffett: Lessons for Corporate America,* Warren Buffett.
14. *The Intelligent Investor,* Benjamin Graham.
15. *Freakonomics,* Steven D. Levitt and Stephen J. Dubner
16. *Capitalism and Freedom*, Milton Friedman.
17. *Surely You're Joking Mr. Feynman!*, Richard P. Feynman. (This book is not about investments. The book is about how one of the greatest minds of all time was drive by curiosity and playfulness, and this led him to discovering profound insights into how the world works. These characteristics can be applied to the study of financial markets.).

The remaining books below are somewhat more advanced.

18. *Secrets of the Temple: How the Federal Reserve Runs the Country,* Greider.
19. *Thinking Fast and Slow,* Daniel Kahneman.
20. *A Short History of Financial Euphoria,* John Kenneth Galbraith.
21. *Capital in the Twenty-First Century,* Thomas Piketty. (This is a large, dense book, full of insights based on extensive historical data. Consider finding a shorter summary online first, then read the book if you want more info.)
22. *Extraordinarily Popular Delusions and the Madness of Crowds,* Charles Mackay.

23. (various readings from) *The Economist*, *Bloomberg Businessweek, The WSJ* and *The Financial Times.*