



Dillard College of Business Administration

SYALLABUS: FINC 4933/4943, Student Managed Investment Fund

Tuesday 7:00 PM to 9:50 PM

Dillard Building 178

Fall Semester 2021

Instructor Contact Information

Instructor: Dr. Qian Li, CFA, Associate Professor in Finance

Office: Dillard Building 205

Office hours: Tuesday 12:30 PM – 1:30 PM, 4:50 PM – 6:50 PM.

Wednesday 2 PM – 3 PM; Thursday 12:30 PM – 1:30 PM

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Course Materials

- Required Textbook: Investment Analysis and Portfolio Management, 11e, by Frank Reilly and Keith Brown, South-Western, ISBN: 978-1305262997
- Recommended reading list:
 - The Intelligent Investor: The Definitive Book on Value Investing. A Book of Practical Counsel (Revised Edition), by Benjamin Graham and Jason Zweig, Collins Business, ISBN: 0060555661
 - A Random Walk Down Wall Street: The Time-Tested Strategy for Successful Investing, 10e, by Burton G. Malkiel, W. W. Norton & Company, ISBN: 0393340740
 - The Wall Street Journal
 - The Economist
 - The Bloomberg BusinessWeek
- D2L
We will make extensive use of Desire2Learn (D2L) this semester. Make sure that you have access to this course on D2L. From D2L you will see many important materials such as course syllabus, lecture notes and announcements. If you have problem accessing D2L, please refer to the [help page](#) about your login information.
- Computer, Software, and Internet
Students are required to have access to a computer capable of playing videos files, opening PDF files, and using Microsoft Office Suite. MSU students can have free access to Microsoft Office Suite, including Word, Excel, PowerPoint and Access,

through the [Microsoft website](#). If you run into any problem with the Office Suite, please contact [MSU IT Department](#) for help

A reliable broadband internet connection is required for downloading and viewing course materials and conducting online meetings when necessary. Students are also required to have a computer/tablet equipped with a Webcam for online meetings and presentations.

No technical problem at a student's end will be considered or excused for grading purposes.

Course Prerequisite(s)

Junior standing or above, consent of the instructor, and FINC 4733 (Investment) with a grade of "B" or higher.

Learning Goals

1. DCOBA Undergraduate Program General Learning Goals

GLG 1: Our students will be effective at problem solving and decision making.

Objective: Our graduates will demonstrate problem solving and decision-making abilities through the critical analysis, evaluation, and interpretation of business information.

In this class students will demonstrate problem solving and decision-making ability as they synthesize information to analyze firms' financial conditions and value and make investment recommendations and decisions. Grades on analysis reports are partially based on the appropriateness of student's qualitative and quantitative analysis.

GLG 2: Our students will be effective communicators.

Objective: Our graduates will be able to demonstrate a competency in speaking and writing for common business scenarios.

2a: Our graduates will be able to demonstrate a competency in speaking for common business scenarios.

2b: Our graduates will be able to demonstrate a competency in writing for common business scenarios.

In this class students will make several presentations based on their research on specific sectors/industries and individual companies/stocks. Students will also be expected to deliver a formal report about the fund performance to the college at the end of the semester. Students will be graded on the quality of their writing and the effectiveness of their presentations.

GLG 3: Our students will be technologically prepared.

Objective: Our graduates will be able to utilize available technology for business applications.

In this class students will conduct investment analysis using tools such as MS Excel. In addition, students will learn how to use the Bloomberg Terminal to collect market and financial information. Grades on the analysis reports are partially based on the student's proficiency in Excel and Bloomberg Terminal.

GLG 5: Our students will be effective team members.

Objective: Our graduates will know how to use team building and collaboration to achieve group objectives.

Students will work in teams as they gather information, make investment decisions, and evaluate fund performance. Grades are partially based on student's ability to work in a team.

2. Course Specific Learning Goals

This course provides an opportunity for students to participate in the management of DCOBA's Student Managed Security Trading and Research (STAR) Fund. Upon successful completion of this course, students should be able to:

- 1) Explain the importance of an Investment Policy Statement.
- 2) Carry out common stock valuation and selection.
- 3) Determine asset allocation and diversification in a portfolio context.
- 4) Summarize and evaluate portfolio performance.

Grading and Evaluation

Evaluation of student performance will be conducted by means of written reports, presentations, and participation in fund operation and management.

1. Analyst Report and Presentation

Students are required to complete individually an analyst report for one stock they select for the fund portfolio and present the report to the entire class on the scheduled date. Students are required to submit their analyst reports, including all supporting materials, and the presentation file to D2L Dropbox by 6:00 PM on the scheduled presentation date.

2. Stock Follow-up

Students will track the performance of assigned stocks in the SMIF portfolio, and report to the class about important information of the stocks, such as market development, earning release updates, mergers and acquisitions, and revised outlook, etc. Students then needs to make recommendations regarding whether to continue to hold an existing stock, to sell an existing stock, or to set new parameters such as target price and/or stop loss price on an existing stock. The actual adjustments of the holdings of the Fund will be based on recommendations accepted by the class and the instructor. Students are required to submit their followup reports to D2L Dropbox by 6:00 PM on the scheduled presentation date.

3. Fund Operation and Management Tasks

SMIF students need to take responsibilities in the fund management. For FINC 4933/4943 students, each student is required to undertake one of the following fund management tasks:

- Class President (3-4 persons). Tasks include but are not limited to:
 - Preside over class meetings
 - Taking class votes and report the results/decisions to the instructor
 - Coordinating with other SMIF members to make sure each project and assignment, including the final presentation, can be finished on time
- Portfolio Evaluation Analyst (3-4 persons). Tasks include but are not limited to:
 - Maintain a record of SMIF's transaction records and account balances.
 - Evaluate SMIF's holdings and performance three times during this semester: at the beginning of the semester, at mid-semester, and at the end of the semester.
 - Report to the class about the allocation, diversification, and performance of the portfolio. Explain to class about the reason(s) for changes in allocation and performance change
 - Lead the discussions of portfolio performance in the final presentation and report.
- Fund Economist (3-4 persons). Tasks include but are not limited to:
 - Follow up with the economy and financial markets and provide the class each week with most updated market information
 - Explain to class how the movement in the economy and market would affect SMIF.
- Public Relation/Communication (1-3 persons). Tasks include but are not limited to:
 - Make arrangements with guest speakers
 - Lead the production of the semester-end portfolio report
 - Maintain the class LinkedIn Group and/or website, and organize networking activities within the class and among SMIF alumni.

Assignment of these tasks will be discussed on the first class. At the end of the semester each student needs to submit a written summary to describe his or her involvement in the fund management. Grade will depend on the performance in fulfilling assigned tasks and the participation and collaboration effort in the assigned tasks.

4. Portfolio Performance Report

SMIF Students are required to work as a team to prepare a performance evaluation report of the fund portfolio at the end of the semester. Grade will depend on the quality of the written report. Late submission will not be accepted and will automatically result in a grade of zero for all students.

5. Team Collaboration and Participation

The fund operates as a team and it's very important that team members collaborate effectively together to achieve the group goals. During the semester a peer review will be conducted to evaluate individual member's participation and collaboration. Grade will be based on the peer review result, student's attendance, and the instructor's evaluation about the student's team activity participation and class attendance and participation. Failure to submit the peer review feedback form by the deadline will result in a 5-point deduction in the team participation grade.

6. Bloomberg Market Concepts (BMC) Certificate

Students need to use the Bloomberg Professional service to collect data and information for their analysis. The BMC e-learning modules are required to be completed by students. Students can complete the BMC e-learning modules after class on the Bloomberg Terminals, located at the STAR Lab (DB 185). After completing the modules, students need to submit a PDF copy of the BMC Certificate to D2L Dropbox. Failure to obtain or submit the certificate before the deadline will result in a grade of zero.

Table 1 and Table 2 below illustrate the grade components and the grading standard.

Table 1: Points allocated to each grading element

Element	Points
Analyst Report	20%
Holdings Follow-ups	30% (10% each)
Fund Management Task	15%
Final Report	20%
Teamwork Participation	10%
BMC Certificate	5%
Total	100%

Table 2: Grading Standard

Grade	Points
A	90 or greater
B	80 to 89.99
C	70 to 79.99
D	60 to 69.99
F	Lower than 60

Midterm Progress Report

In order to help students keep track of their progress toward course objectives, the instructor for this class will provide a Midterm Progress Report through WebWorld for at-risk students. Midterm grades will not be reported on the students' transcript; nor will they be calculated in the cumulative GPA. They simply give students an idea of where they stand at the midpoint of the semester. Students earning below a C at the midway point should schedule a meeting with the instructor and seek out tutoring options.

Other Class Policies

1. Instructor Drop. This class follows [MSU Undergraduate Catalog](#) regarding to the Instructor Drop policy:
An instructor may drop a student any time during the semester for excessive absences, for consistently failing to meet class assignments, for an indifferent attitude, or for disruptive conduct. The instructor must give the student a verbal or written warning prior to dropping the student from the class. An instructor's drop of a student takes precedence over the student-initiated course drop of a later date.
2. Students are expected to attend every class, including analyst presentations. Absence from class meetings can result in a lower grade by at least one grade level. When attending classes, especially when making presentations or attending guest lectures, please dress appropriately.
3. No food or beverage is allowed in the classroom. This is a college policy.
4. Redistribution of any course material provided by the instructor in any form outside this class is strictly prohibited.
5. During the classes, please refrain yourself from using the computers in the STAR Lab or your personal device to access your personal email, social media, or any websites that are unrelated to the class activities.
6. Lower Grade: The instructor reserves the right to lower any student's final grade by up to two letter grades (i.e., A to C, C to F) for:
 - A. Unpreparedness in class when called upon, or,
 - B. A negative, rude, unreasonably argumentative, or inattentive attitude in class, or,
 - C. Repeatedly disrupting the class for any reason, or,
 - D. Repeatedly leaving and returning to your class seat during class, or,
 - E. Not showing respect for fellow classmates' questions, opinions, or class presentations, or,
 - F. Violation of use of electronic devices or food and drink policies listed above, or,
 - G. Repeated tardiness to class or,
 - H. Redistributing course material provided by the instructor in any form outside this class

Academic Integrity

With regard to academic honesty, students are referred to the [Student Honor Creed](#), including the following statements:

We consider it dishonest to ask for, give, or receive help in examinations or quizzes, to use any unauthorized material in examinations, or to present, as one's own, work or ideas which are not on entirely one's own. We recognize that any instructor has the right to expect that all student work is honest, original work. We accept and acknowledge that

responsibilities for lying, cheating, stealing, plagiarism, and other forms of academic dishonesty fundamentally rests with each individual student.

Academic dishonesty such as cheating, lying, collusion, and plagiarism will be taken seriously and will be investigated. The minimum penalty is an "F" in this course and referral to the Dean of Students for disciplinary action, which may result in expulsion from the University.

Americans with Disabilities Act

If a student has an established disability as defined in the Americans with Disabilities Act and would like to request accommodation, that student should see me as soon as possible (preferably within the first two weeks of the semester). This class follows the guidelines suggested by [Office of Disabilities Support Services](#) for students who qualify for disability services. Please see [Midwestern State University Undergraduate Catalog](#) for details.

Campus Carry statement

Senate Bill 11 passed by the 84th Texas Legislature allows licensed handgun holders to carry concealed handguns on campus, effective August 1, 2016. Areas excluded from concealed carry are appropriately marked, in accordance with state law. For more information regarding campus carry, please refer to the [University's campus carry policy webpage](#).

Professionalism

The faculty, staff, and students of the Dillard College of Business Administration are committed to being a "professional" in our words, conduct, and actions. The qualities of a professional include:

- A commitment to the development of specialized knowledge
- Competency in analytical, oral and written communication skills
- Self-discipline
- Reliability
- Honesty and integrity
- Trustworthiness
- Timeliness
- Accountability for words and actions
- Respect for others and other cultures
- Politeness and good manners
- A professional image (professionals look professional)
- An awareness of their environment and adaptability to different settings
- Confidence without arrogance
- A commitment to giving back to your community

Syllabus Change Policy

This syllabus and the attached course schedule serve as a guide for the course—not a “contract”—and are subject to change. Syllabus and schedule changes will be communicated in class or by email.

Course Schedule

Table 3: Major topics and activities planned for each class session.

Week	Date	Plan
1	8/24/2021	Course Overview; Fund Investment Policy Statement Discussion
2	8/31/2021	Market and Economy briefing. Bloomberg training; Intro for BOS evaluation
3	9/7/2021	Market and Economy briefing. BOS portfolio evaluation
4	9/14/2021	Market and Economy briefing. Introduction to microeconomic analysis
5	9/21/2021	Market and Economy briefing. Senior Analyst Presentation Introduction to sector/industry analysis
6	9/28/2021	Market and Economy briefing. Company/Equity Analysis
7	10/5/2021	Market and Economy briefing; Analyst report overview; Fund evaluation Analyst Presentation
8	10/12/2021	MOS portfolio evaluation;
9	10/19/2021	Analyst report presentation
10	10/26/2021	Analyst report presentation
11	11/2/2021	Market and Economy briefing. Introduction to equity portfolio management strategies
12	11/9/2021	Market and Economy briefing. Introduction to portfolio performance evaluation.
13	11/16/2021	Market and Economy briefing. Guest Lecture, Presentation by the fund evaluation analysts.
14	11/23/2021	Market and Economy briefing. EOS portfolio evaluation. Fund performance report overview.
15	11/30/2021	Fund Performance Report