



**Dillard College of Business Administration**  
**SYLLABUS: FINC 5943, Student Managed Investment Fund**

Tuesday 7:00 PM to 9:50 PM

Dillard Building 121

Spring Semester 2023

**Contact Information**

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

Office: Dillard Building 205

Office hours: Tuesday 5:00 PM until 7:00 PM, Wednesday 1:00 PM until 3:00 PM, and Thursday 10:00 AM until 11:00 AM

Office phone: (940) 397-4711

E-mail: [qian.li@msutexas.edu](mailto:qian.li@msutexas.edu)

**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.

**Course Prerequisite(s)**

FINC 5933 with a grade of C or higher, and consent of the Graduate Coordinator.

## **Learning Goals**

### **DCOBA Graduate Program General Learning Goals**

GLG1: Our students will exhibit the characteristics of leadership.

Objective: Our graduates will have the capacity to lead effectively.

In this class students will work as a team to operate the fund, make investment decisions, and deliver performance reports. Graduate students are expected to lead the whole team to ensure smooth and effective operation of the fund. Grades are partially based on student's ability to work in a team and lead the team.

GLG4: Our students will integrate knowledge across business disciplines.

Objective: Our graduates will demonstrate the capability to integrate knowledge across business disciplines.

In this class students will integrate their knowledge in various areas such as economics, management, business strategy, accounting as well as investment to analyze a company and conduct reasonable valuation for the company. Grades are partially based on the quality of students' analysis.

GLG5: Our students will communicate at a professional level.

Objective: Our graduates will be able to communicate in a professional business manner.

In this class students will write reports and make oral presentations based on their research on specific sectors/industries and individual companies/stocks. Students will also 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.

## **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 enrolled in FINC 5943 are required to prepare an analyst report individually or in a two-person group for a 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 the D2L Dropbox by 6:30 PM on the scheduled presentation date.

Graduate students enrolled in FINC 5933/5943 will be graded by a higher standard for the quality of their research, writing and presentation delivery.

## 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 follow-up reports to D2L Dropbox by 6:30 PM on the scheduled presentation date.

## 3. Fund Operation and Management Tasks

SMIF students need to take responsibilities in the fund management. Each FINC 5943 student is required to undertake one of the following fund management tasks:

- Class President (1-2 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 (2-3 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 (1-2 persons). Tasks include but are not limited to:

- Make arrangements with guest speakers
- Lead the production of the end-of-semester portfolio report and presentation
- 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 students are required to submit a written summary to describe their 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.

Graduate students are expected to take more leadership responsibilities in the fund and will be graded by a higher standard for the quality of their work in above assignments.

#### 4. Portfolio Performance Report and Presentation

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. A formal presentation on fund management and performance will be delivered by the class to the SMIF stakeholders at the end of the semester. Grade will depend on the quality of the written report and the presentation. Late submission of the written report or failure to deliver the presentation 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. While students are expected to attend every class, attending each class or meeting does not guarantee that the student will receive the full credits on team collaboration and participation. At the end of 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 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. Special Topic Presentation

FINC 5943 students are required to select a special topic and make a presentation to the class based on their choice of the topic. In Spring 2023, the topics include:

- a. Market and economy outlook
- b. Industry analysis for a specific industry

Grades will be based on the quality of the presentation. Students are required to submit their presentation file in PPT or PDF to D2L Dropbox by 6:30 PM on the scheduled presentation date. Graduate students enrolled in FINC 5943 will be graded by a higher standard for the quality of their research, writing, and presentation delivery.

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	10%
Final Report	20%
Team Participation	10%
Special Topic Presentation	10%
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

### Attendance and Classroom Policy

1. Students are expected to attend every class. Attendance will be recorded for each class on D2L. Only absences due to the following situations can be excused:

*Religious holy day, active military, police, or firefighter assignment, jury duty, university authorized absences, approved academic activities, and medical emergency for yourself or your immediate family member.*

For more information about authorized absences, excused absences defined by state regulations, and the required documentations, please refer to the [Registrar](#) section in the university catalog.

For absences due to religious holy day, military/policy/firefighter/jury duty, or person emergencies, please contact the [Dean of Students](#) office. The Dean of Students will process student request and notify the instructor. Absences due to required participation in university-sponsored activities must be approved by the college dean or Athletic Director and the Provost. Absences due to academically related activities such as class field trips or student conferences require a written notification from the faculty member who sponsors or organizes the activities. Missing any class without any approval from the instructor or relevant university offices will be considered

unexcused absence, which will affect the Team Collaboration and Participation grade or result in a grade of zero for any presentation missed.

2. This class follows [Midwestern State University Graduate 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.*
3. When attending classes, especially when making presentations or attending guest lectures, please dress appropriately.
4. Students are expected to deliver presentations in person. Submitting a presentation file does NOT count as delivering a presentation.
5. No food or beverage is allowed in the classroom. This is a college policy.
6. 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.
7. Redistribution of any course material provided by the instructor in any form outside this class is strictly prohibited.
8. Lower Grade: I reserve 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, 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. Repeated tardiness to class or,
  - F. Being disrespectful for other students' questions, opinions, or presentations, or,
  - G. Violation of use of electronic devices or food and drink policies listed above, or,
  - H. Redistributing course materials 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".*

This course follows Midwestern State University Graduate Catalog regarding to the Academic Dishonesty policy:

*A grade of F given for academic dishonesty will be computed in the grade point average even if permission is granted for the course to be repeated. Additional college and program policies regarding academic dishonesty will apply.*

### **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 Graduate 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](#).

### **Active Shooter**

The safety and security of our campus is the responsibility of everyone in our community. Each of us has an obligation to be prepared to appropriately respond to threats to our campus, such as an active aggressor. Please review the information provided by MSU Police Department regarding the options and strategies we can all use to stay safe during difficult situations. For more information, visit [Safety / Emergency Procedures](#). Students are encouraged to watch the video entitled "*Run. Hide. Fight.*" which may be electronically accessed via the University police department's webpage: "[Run. Hide. Fight.](#)"

### **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

Wk.	Date	Plan
1	1/17/2023	Course Overview; Fund Investment Policy Statement Discussion
2	1/24/2023	Market and Economy briefing. Bloomberg Training. BOS Presentation overview
3	1/31/2023	Market and Economy briefing. BOS Presentation
4	2/7/2023	Market and Economy briefing. Fund Evaluation Analyst Presentation Introduction to macroeconomic analysis
5	2/14/2023	Market and Economy briefing. FINC 4943/5943 presentation: Market and Economy Outlook Introduction to sector/industry analysis
6	2/21/2023	Market and Economy briefing. FINC 4943/5943 presentation: Industry Analysis
7	2/28/2023	Market and Economy briefing. Company/Equity Analysis
8	3/7/2023	Market and Economy briefing; Company/Equity Analysis Analyst report overview
9	3/14/2023	MOS Presentation; Fund Evaluation Analyst Presentation
10	3/21/2023	Spring Break. No Class.
11	3/28/2023	Analyst report presentation
12	4/4/2023	Market and Economy briefing. Introduction to equity portfolio management strategies
13	4/11/2023	Market and Economy briefing. Introduction to portfolio performance evaluation.
14	4/18/2023	Market and Economy briefing. Guest Lecture Fund Evaluation Analysts Presentation
15	4/25/2023	EOS portfolio evaluation. Fund performance report overview.
16	5/2/2023	Portfolio Performance Presentation