



Dillard College of Business Administration

SYLLABUS: FINC 4943 Student Managed Investment Fund II

Tuesday 7:00 PM to 9:50 PM

Dillard Building 121

Spring 2023

Instructor Contact Information

Instructor: Dr. Qian Li, CFA, Professor of Finance

Office: Dillard Building 205

Office Hours: Tuesday 5:00 PM until 7:00 PM, Wednesday 1:00 PM until 3:00 PM,

Thursday 10:00 AM until 11:00 AM

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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:
 - 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 (Free access from Bloomberg Terminal)
- 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)

Junior standing or above. FINC 4733 with a grade of “B” or higher or consent of the chair.

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 write reports and make several presentations based on their research on specific sectors/industries and individual companies/stocks. Students will also be expected to produce 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 an analyst report individually or in a two-person group 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 report, including all supporting materials, and the presentation file to D2L Dropbox by 6:30 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 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. For FINC 4933 students, each 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 reasons 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 semester-end 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.

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 4943 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 6:00 PM on the scheduled presentation date.

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 and Presentation	20%
Teamwork 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

Midterm Progress Report

To help students to keep track of their progress toward course objectives, the instructor for this class will provide a Midterm Progress Report through WebWorld/Navigate 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. 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. 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.
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. All assignments need to be submitted to the right Dropbox in D2L. Email submission will not be graded and will automatically receive a grade of zero.
6. No food or beverage is allowed in the classroom. This is a college policy.
7. Redistribution of any course material provided by the instructor in any form outside this class is strictly prohibited.
8. 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.
9. 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, 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 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](#).

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	Guest Lecture Market and Economy briefing. Fund Evaluation Analysts Presentation
15	4/25/2023	EOS portfolio evaluation. Fund performance report overview.
16	5/2/2023	Portfolio Performance Presentation