Student Investment Roundtable
Finance 490.001
Spring 2018

INSTRUCTOR: Samuel Kyle Jones, Ph.D., CFA
DEPARTMENT: Economics and Finance
OFFICE: McGee 303F
PHONE: 936-468-1442
OFFICE HOURS: TR 1:30pm, W 10am-noon & 2-5pm
EMAIL: sjones@sfasu.edu
TIME & LOCATION: TR 3:30-4:45, BUSI 115

Course Objective and Overview:
The class invests funds from the SFA Alumni Foundation and the SFA Foundation in a practical, hands-on course setting. Students taking this class will learn and experience financial decision-making from the real-world perspective of the institutional investor. The course is designed for students who are either pursuing careers in the investment field or who simply have a keen interest in learning more about investments. Students should have a basic understanding of accounting, corporate finance, economics, modern portfolio theory and statistics.

Course Structure:
In general, the class format will consist of class discussions and presentations. Most of the discussions will be conducted by students with the instructor taking the role of moderator/mentor rather than that of lecturer.

There are two main objectives of the class. The first is to expose students to the financial decision-making process used to manage the SFA Investment Roundtable Fund equity portfolio. The second is to maintain and grow the portfolio by making trade recommendations after thorough investment analysis using a top-down approach. This will consist of economic and industry analysis aimed at determining the optimal sector allocations, followed by company analysis with the intent of selecting the best individual stocks within each sector. Students will be assigned to sectors and will be responsible for researching and monitoring their sector and the companies in that sector, formalizing their research in the form of a sector report and a stock selection report, and presenting a summary of these reports to the class.

There are ten sectors in the S&P 500. Each sector team is responsible for tracking trends, for making a sector outlook presentation and monitoring the current holdings. The sector teams are divided as follows:

- Consumer Discretionary
- Consumer Staples
- Energy
- Financials
- Health Care
- Real Estate
- Industrials
- Information Technology
- Materials
- Telecommunications
- Utilities

Majority vote decides the sector and stock allocations in the portfolio with final decision residing with the professor.
Grading and Course Requirements:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
</tr>
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<tbody>
<tr>
<td>A</td>
<td>90-100%</td>
</tr>
<tr>
<td>B</td>
<td>80-89%</td>
</tr>
<tr>
<td>C</td>
<td>70-79%</td>
</tr>
<tr>
<td>D</td>
<td>60-69%</td>
</tr>
<tr>
<td>F</td>
<td>0-59%</td>
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</tbody>
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- **Individual Assignments**
  1. (25%) Participation:
     a. Attribution – Tuesdays are attribution day. Be prepared to discuss the previous week’s market-related events as pertain to the overall market and economy, your sector, and the specific stocks that we currently hold in your sector.
     b. Class Discussion – Thursdays typically involve class discussions, presentations of your reports, and presentations by outside speakers.
  2. (25%) Journal: Each student will be responsible for keeping a journal detailing all work related to this class, including news items, notes from classroom discussions, and any assignments or other material requested by the instructor. Journals will be inspected during each performance review – make sure that your journal is clearly written, and well organized with dates delineating work related to each class meeting.

- **Sector Team Assignments**
  3. (20%) Sector Report: Submit a sector research report describing the characteristics of your sector, its outlook, and investment implications.
  4. (20%) Stock Selection Report: Each sector group will present stock purchase recommendations. The presentation should include all information that is necessary to evaluate each stock. This should include, but not be limited to, analysts’ opinions, multiple valuations, fundamental analysis, and technical analysis.

- **Class Assignment**
  5. (10%) Quarterly Performance Report: Report the performance of the fund, each sector, and individual stocks for the prior quarterly reporting period. Detail macroeconomic and sector events and how they are impacting decision making in the current semester.

**Attendance**
- Attendance is mandatory.
- University approved excuses must be conveyed to me before the planned absence. Such excuses are not to be abused.
- Medical excuses must be conveyed to me as soon as possible, and again are not to be abused.
- All other excuses are unexcused. Only **one unexcused absence is allowed** for the term. More than that will lead to a letter grade deduction for each additional absence.

**Professionalism**
- Attendance is mandatory, but you must also come to class prepared in order to increase the chances of productive dialogue among members of the class.
- Be one time. Arriving late will be treated the same as an unexcused absence.
- Act professional. Lack of professional behavior will lead to a warning, after which continued issues may result in a letter grade deduction per episode.
- Produce quality work. Copying and reading a presentation is not acceptable. You are held to a higher standard than that. Poor quality work can lead to a grade reduction.
1-on-1 meetings

- Prior to presentations, each sector team must meet with me in my office to review the proposed presentation. This meeting will occur no later than two business days prior to the scheduled presentation. The report or presentation must be submitted to me by 5pm three days prior to the presentation date.

Performance Evaluations

- Performance reviews will be held periodically throughout the semester. This will involve reviews of current performance and recommendations for future performance, with the purpose of keeping the student abreast of his/her performance in terms of the grading.

Course Schedule:

<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Tuesday</th>
<th>Thursday</th>
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<tbody>
<tr>
<td>1</td>
<td>Jan 16 – 18</td>
<td>Overview</td>
<td>Class Discussion</td>
</tr>
<tr>
<td>2</td>
<td>Jan 23 – 25</td>
<td>Attribution Analysis</td>
<td>Class Discussion</td>
</tr>
<tr>
<td>3</td>
<td>Jan 30 – Feb 1</td>
<td>Attribution Analysis</td>
<td>Class Discussion</td>
</tr>
<tr>
<td>4</td>
<td>Feb 6 – 8</td>
<td>Attribution Analysis</td>
<td>Sector Research Reports Due</td>
</tr>
<tr>
<td>5</td>
<td>Feb 13 – 15</td>
<td>Attribution Analysis</td>
<td>Sector Presentations</td>
</tr>
<tr>
<td>6</td>
<td>Feb 20 – 22</td>
<td>Attribution Analysis</td>
<td>Sector Presentations</td>
</tr>
<tr>
<td>7</td>
<td>Feb 27 – Mar 1</td>
<td>Attribution Analysis</td>
<td>Class Discussion</td>
</tr>
<tr>
<td>8</td>
<td>Mar 6 – 8</td>
<td>Attribution Analysis</td>
<td>Class Discussion</td>
</tr>
<tr>
<td>9</td>
<td>Mar 13 – 15</td>
<td>No Class – Spring Break</td>
<td>No Class – Spring Break</td>
</tr>
<tr>
<td>10</td>
<td>Mar 20 – 22</td>
<td>Attribution Analysis</td>
<td>TBD</td>
</tr>
<tr>
<td>11</td>
<td>Mar 27 – 29</td>
<td>Attribution Analysis</td>
<td>No Class – Easter Holiday</td>
</tr>
<tr>
<td>12</td>
<td>Apr 3 – 5</td>
<td>Attribution Analysis</td>
<td>Stock Presentations</td>
</tr>
<tr>
<td>13</td>
<td>Apr 10 – 12</td>
<td>Attribution Analysis</td>
<td>Stock Presentations</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td>Quarterly Performance Report Due</td>
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<tr>
<td>14</td>
<td>Apr 17 – 19</td>
<td>Attribution Analysis</td>
<td>Stock Presentations</td>
</tr>
<tr>
<td>15</td>
<td>Apr 24 – 26</td>
<td>Attribution Analysis</td>
<td>Stock Presentations</td>
</tr>
<tr>
<td>16</td>
<td>May 1 – 3</td>
<td>Attribution Analysis</td>
<td>Stock Presentations</td>
</tr>
<tr>
<td>17</td>
<td>May 8 – 10</td>
<td>No Class</td>
<td>Stock Presentations</td>
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</tbody>
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**Rusche College of Business**

**Syllabus Addendum**

**Program Learning Outcomes:**
Program learning outcomes define the knowledge, skills, and abilities students are expected to demonstrate upon completion of an academic program. These learning outcomes are regularly assessed to determine student learning and to evaluate overall program effectiveness. You may access the program learning outcomes for your major and particular courses at [http://www.sfasu.edu/cob/ug-plo.asp](http://www.sfasu.edu/cob/ug-plo.asp).

**General Student Policies:**

**Academic Integrity (4.1)**

*Academic integrity is a responsibility of all university faculty and students. Faculty members promote academic integrity in multiple ways including instruction on the components of academic honesty, as well as abiding by university policy on penalties for cheating and plagiarism.*

**Definition of Academic Dishonesty**

Academic dishonesty includes both cheating and plagiarism. Cheating includes but is not limited to (1) using or attempting to use unauthorized materials to aid in achieving a better grade on a component of a class; (2) the falsification or invention of any information, including citations, on an assigned exercise; and/or (3) helping or attempting to help another in an act of cheating or plagiarism. Plagiarism is presenting the words or ideas of another person as if they were your own. Examples of plagiarism are (1) submitting an assignment as if it were one’s own work when, in fact, it is at least partly the work of another; (2) submitting a work that has been purchased or otherwise obtained from an Internet source or another source; and (3) incorporating the words or ideas of an author into one’s paper without giving the author due credit. Please read the complete policy at [http://www.sfasu.edu/policies/academic_integrity.asp](http://www.sfasu.edu/policies/academic_integrity.asp).

**Withheld Grades - Semester Grades Policy (5.5)**

Ordinarily, at the discretion of the instructor of record and with the approval of the academic chair/director, a grade of WH will be assigned only if the student cannot complete the course work because of unavoidable circumstances. Students must complete the work within one calendar year from the end of the semester in which they receive a WH, or the grade automatically becomes an F. If students register for the same course in future terms the WH will automatically become an F and will be counted as a repeated course for the purpose of computing the grade point average.

**Students with Disabilities**

To obtain disability related accommodations, alternate formats and/or auxiliary aids, students with disabilities must contact the Office of Disability Services (ODS), Room 325 in the Human Services Building, 468-3004 / 468-1004 (TDD) as early as possible in the semester. Once verified, ODS will notify the course instructor and outline the accommodation and/or auxiliary aids to be provided. Failure to request services in a timely manner may delay your accommodations. For additional information, go to [http://www.sfasu.edu/disabilityservices/](http://www.sfasu.edu/disabilityservices/).

**Acceptable Student Behavior**

Classroom behavior should not interfere with the instructor’s ability to conduct the class or the ability of other students to learn from the instructional program (see the Student Conduct Code, policy 10-4). Unacceptable or disruptive behavior will not be tolerated. Students who disrupt the learning environment may be asked to leave class and may be subject to judicial, academic, or other penalties. This prohibition applies to all instructional forums, including electronic, classroom, labs, discussion groups, field trips, etc. The instructor shall have full discretion over what behavior is appropriate/inappropriate in the classroom. Students who do not attend class regularly or who perform poorly on class projects/exams may be referred to the iCare Early Alert Program. This program provides students with recommendations for resources or other assistance that is available to help SFA students succeed.