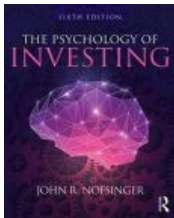


Special Topics: Equity Analysis – FINN 3000-090
Spring 2019 – Friday Building 144
Wednesday – 5:30-8:15 PM

Professor: Judson W. Russell, Ph.D., CFA
Office: Friday Building – 350C
Phone: 704-687-7618
Email: jrussell@uncc.edu

Office hours: Tues/Thurs 2-3pm. I encourage you to meet with me, by appointment, to discuss the course or other areas of interest. We can meet after class or at other times which are mutually available.

Textbook Details: **PSYCHOLOGY OF INVESTING | Edition: 6TH**
Author: NOFSINGER
ISBN: 9780415397575



Objectives: In this course we will discuss methods and techniques for analyzing equities. The course is centered on three areas of analysis fundamental, technical, and behavioral. As a special topic course, we are most interested in practical application of course material and therefore assignments require a fair amount of out-of-class time to complete. An introduction to R programming is included in the course.

Participation: Your participation will improve the experience for yourself and others in the class. **Exams are offered only on the dates on this syllabus.** If you foresee any conflicts with this schedule, you will want to withdrawal from this course to avoid adverse impact to GPA.

Absences from Quizzes/Examinations.

There will be **no makeup or early examinations of any sort.** The Final Examination must be taken at the scheduled date and time. If you cannot take the Final Examination for medical reasons, you will be awarded an “I” and can complete the course requirements the following semester. **If you miss the midterm that will count as zero.**

Assignments and Lectures

The principal method of instruction will be primarily by means of lectures. Students will be expected to actively participate in classroom discussions and the solving of problems. You should be prepared for class by reading the assigned chapters, before the class meets. Solving problems, reading the textbook and participating in classroom discussions are ways in which you can work to improve your understanding of the course material.

Assignments and Grading:

You will be graded on your performance on the midterm and final exams.

I follow a scale of: 90-100 A
 80-89 B
 70-79 C, etc.

'Psychology of Investing' Presentation (1 @ 50) - Group	50 points
Case Analysis (2 @ 50) - Group	100 points
Bloomberg/R Quizzes (4 @ 25 each) – Individual	100 points
Project Assignment (1 @ 50) – Group	50 points
Midterm Exam - Individual	100 points
Final Exam - Individual	100 points
Total	500 points

Students are expected to have a single, non-programmable financial calculator to assist them in solving assigned problems. Make sure that you know how to use your calculator as calculator use is your responsibility. You'll also need to know Excel in order to do some of the financial modeling in this course and be open to learning R programming language. Since the field of investments is a dynamic and constantly changing area students are expected to keep abreast of current events in financial markets. This can be achieved by reading the Wall Street Journal, Business Week or Economist, which are all good sources for current information.

Academic Integrity

Students are advised to apprise themselves of, and adhere to the rules specified in the UNC-Charlotte code of student integrity regulations, which will be strictly enforced in this class.

Diversity Statement

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

Disability Accommodations

UNC Charlotte is committed to access to education. If you have a disability and need academic accommodations, please provide a letter of accommodation from Disability Services early in the semester. For more information on accommodations, contact the Office of Disability Services at 704-687-0040 or visit their office in Fretwell 230.

Tentative Course Schedule

Date	Topic	Reading & Assignment
Jan 9	Lecture: Course Structure and Introduction Lecture: Introduction to R, <i>Summarizing Data with Statistics</i>	Assignment: Download R from https://cloud.r-project.org/ and follow the instructions for Windows or Mac users. Download and install RStudio from https://www.rstudio.com/products/rstudio/download2/
Jan 16	Lecture: Key elements of Bloomberg Lecture: <i>Exploratory Data Visualization in R</i> Assign Case 1: Thompson Asset Management	Reading: Oppenheimer, <i>Graham Criteria</i> ; Porter, <i>How Competitive Forces Shape Strategy</i> Assignment: Bloomberg worksheet and R assignment
Jan 23	Presentation: Group 1 – Chapter 1 Psychology and Finance Lecture: Fundamental Analysis 1 Lecture: <i>Sampling and Probability in R</i>	Reading: Buffett, <i>Superinvestors of Graham and Doddsville</i> ; Munger, <i>Investing in Worldly Wisdom</i> Assignment: Bloomberg worksheet and R assignment
Jan 30	Bloomberg and R Quiz 1 Presentation: Group 2 – Chapter 2 Overconfidence Lecture: Fundamental Analysis 2 Lecture: <i>Discrete Distributions in R</i>	Reading: Taleb, <i>Flight of the Black Swan</i> ; Graham, <i>Investment Versus Speculation</i> Assignment: Bloomberg worksheet and R assignment
Feb 6	Case 1 Due Presentation: Group 3 – Chapter 3 Pride and Regret Lecture: Fundamental Analysis 3 Lecture: <i>Continuous and Normal Distributions in R</i>	Reading: Klarman, <i>Opportunities for Patient Investors</i> ; Assignment: Bloomberg worksheet and R assignment
Feb 13	Assign Project Bloomberg and R Quiz 2 Presentation: Group 4 – Chapter 4 Risk Perceptions Lecture: Fundamental Analysis 4 Lecture: <i>Covariance and Correlation in R</i>	Reading: Rogers, <i>Conversation with a Value Guru</i> Assignment: Bloomberg worksheet and R assignment
Feb 20	Presentation: Group 5 – Chapter 5 Decision Frames Lecture: Fundamental Analysis 5 Lecture: <i>Validating Statistical Assumptions in R</i>	Reading: Novy-Marx, <i>The Other Side of Value: The Gross Profitability Premium</i> Assignment: Midterm
Feb 27	Midterm Exam Due Lecture: Technical and Behavioral Analysis 1 Lecture: <i>Sample Size and Sample Distributions in R</i> Assign Case 2: Dimensional Fund Advisors	Reading: Montier, <i>Applied Behavioral Finance: White Swans, Revulsion, and Value</i> ; Kirkpatrick and Dahlquist, <i>The Technical Analysis Controversy</i> Assignment: Bloomberg Worksheet and R assignment
Mar 6	Spring Break	
Mar 13	Presentation: Group 6 – Chapter 6 Mental Accounting Lecture: Technical and Behavioral Analysis 2 Lecture: <i>Interval Estimates and Confidence Intervals in R</i> March 19 Last Day to Withdraw from Class	Reading: Kahneman, <i>Paying Attention Literally</i> ; Kirkpatrick and Dahlquist, <i>Dow Theory</i> Assignment: Bloomberg worksheet and R assignment
Mar 20	Bloomberg and R Quiz 3 Presentation: Group 7 – Chapter 7 Forming Portfolios Lecture: Technical and Behavioral Analysis 3 Lecture: <i>Linear Regression Models and Assumptions in R</i>	Reading: Harrington, <i>Sentimental Journey</i> ; Kirkpatrick and Dahlquist, <i>Sentiment</i> Assignment: Bloomberg worksheet and R assignment
Mar 27	Presentation: Group 8 – Chapter 8 Representativeness & Familiarity Lecture: Technical and Behavioral Analysis 4 Lecture: <i>Spatial Statistics in R</i>	Reading: Shiller, <i>Herd Behavior and Epidemics</i> ; Kirkpatrick and Dahlquist, <i>Measuring Market Strength</i> Assignment: Bloomberg worksheet and R assignment
Apr 3	Case 2 Due, Presentation: Group 9 – Chapter 9 Social Interaction & Investing Lecture: Technical and Behavioral Analysis 5 Lecture: <i>Time Series Analysis in R</i>	Reading: Shiller, <i>Efficient Markets, Random Walks, and Bubbles</i> ; Kirkpatrick and Dahlquist, <i>Trends-The Basics</i> Assignment: Bloomberg worksheet and R assignment
Apr 10	Bloomberg and R Quiz 4 Presentation: Group 10 – Chapter 10 Emotion and Investment Decision Lecture: Equity Valuation Workshop 1 Lecture: <i>Regression Trees and Classification Trees in R</i>	Reading: Thaler, <i>The Beauty Contest</i> ; Thaler, <i>Does the Stock Market Overreact?</i> Assignment: Bloomberg worksheet and R assignment
Apr 17	Project Due Lecture: Equity Valuation Workshop 2 Lecture: <i>Prior Information and Bayesian Inference in R</i>	Reading: Kirkpatrick and Dahlquist, <i>Breakouts, Stops, and Retracements</i> , Kirkpatrick and Dahlquist, <i>Moving Averages</i> Assignment: Bloomberg worksheet and R assignment
Apr 24	Lecture: Equity Valuation Workshop 3	Assignment: Prepare for Final
May 1	Reading Day	
May 8	Final Exam 5:00-7:30 PM - Comprehensive	