

FNCE 3415: Valuation and Financial Modeling (4 credits)
Loyola Marymount University
Spring 2021

Time and Location:

Section 1: Tue & Thu, 8:20AM- 9:20AM, Zoom <https://lmula.zoom.us/j/81382360674>

Section 2: Tue & Thu, 9:50AM-10:50AM, Zoom <https://lmula.zoom.us/j/89224725510>

Instructor Name: Hai Tran

Email: hai.tran@lmu.edu

Office Hours: scheduled via <https://calendly.com/haitranv/15min>. Email me if other times needed.

Required Materials:

- 1) Wall Street Prep courses (\$100 – package of courses specifically for FNCE 3415). Link to purchase here <https://gv142.infusionsoft.com/app/manageCart/addProduct?productId=4889>
- 2) Account with Bloomberg Education Portal https://portal.bloomberforeducation.com/sign_up. Select the Student Rate from the two purchase options. Check ‘Yes’ to confirm you are taking BMC as part of a group and enter the class code Q47JLYD5BZ. The price is normally \$149 – you are getting this access for free. Please do not distribute this code outside of class.

Course Prerequisites:

ACCT 2120; ECON 105 or 110 AND 120; ECON 230; Math 112 or 131; FNCE 3410 all with a minimum grade of C (2.0)

Course Description:

This course will cover the theory and practice of financial statements analysis and valuation. Students will learn how to use theory and data to solve challenging business problems with incomplete information. Students will become comfortable with using financial modeling as a tool to help them perform financial analysis and make decisions.

Learning Outcomes:

This course contributes to student achievement of the following CBA core learning outcomes:

- Students will demonstrate understanding of the core concepts in finance.
- Students will accurately utilize quantitative techniques to model and evaluate business decisions.
- Students will demonstrate critical thinking skills by defining, modeling, analyzing and evaluating complex business problems.

Upon completion of this course, students should successfully demonstrate the following course learning outcomes:

- Know how to read and extract information from the 10-K, 10-Q and other regulatory filings.
- Perform vertical and horizontal analysis of financial statements.
- Calculate financial ratios - understand what they mean and how to use them.
- Analyze company’s performance by examining trends and comparing with competitors.
- Perform company valuation using the multiples approach.
- Perform company valuation using the discounted cash flow approach.
- Understand the strengths and weaknesses of each methodology – know which method to use in different situations.
- Perform sensitivity analysis.

Homework and Excel assignments:

Homework and Excel assignments will need to be submitted via Brightspace before the specified deadlines. *Late homework will incur a 50% point penalty.*

Participation and attendance:

Attendance and active participation is important in understanding and retaining class materials. You will be graded on the quantity and quality of your participation. I will keep track of attendance and participation for each class.

Note: students may need to miss class because of illness, quarantine, isolation or other related reasons. Please communicate with me for accommodations based on your specific situation.

Exams:

There will be two exams in this course: one midterm and one final. The final exam is given during finals week and is comprehensive, accompanied by an individual oral exam. Since exam dates are set in advance, if you anticipate a conflict with a religious holiday or a university officially-sanctioned activity, you should notify me at least one week in advance for a rescheduling. No other make-up exams will be given. Missing an exam without prior approval from me will result in a grade of zero for that exam. You will be required to turn on your webcam during the exams.

Technical issues during in-class quizzes and exams will be resolved on a case-by-case basis.

Final project:

You will work in teams of three for the final project. Even though it is called a final project, you will be completing project milestones throughout the course. Each team will choose a company (subject to my approval) to conduct a financial analysis and valuation exercise. At the end of the semester, you will present your findings to me and the class.

Bloomberg Market Concepts Certification:

You will need to complete the Bloomberg Market Concepts Core Concepts certification. This course can be completed through your individual Bloomberg account with free access to the BMC course (enter the class code above). It consists of four modules: Economic Indicators (1 hour), Currencies (1 hour 30 mins), Fixed Income (2 hours 15 mins), and Equities (3 hours 20 mins). The deadline for each module is listed on the course schedule. *You must complete all modules by May 2nd to earn full points. You also need to earn an average of 70% across four modules for full credit.*

Workload expectations:

This is a 4 credit course. As such, you are expected to complete at least 9 hours of work outside of class per week (Finance department policy). Even though these hours will vary from week to week, on average you will spend 7 hours on homework/Excel assignments, 1 hour on reviewing the previous class materials, and 1 hour on progressing through the final project.

Grading components:

Your final grade will be based on the following component weights:

Mid-term exam	150
Final exam and oral exam	200
Final project report	200
Final project presentation	50
Homework and Excel assignments	200
Participation and attendance	100
Bloomberg Market Concepts Certification	100

Extra credit:

Extra credit opportunities are available for attending Finance Society events and other Finance-related events. Event dates are available at <http://lmufinancesociety.com/upcoming-events/>. You will earn 2 points for each event. Maximum points you can earn for extra credit are 20 points.

Grading scheme:

Total points available in the course will be 1,000 points. Course grades will be assigned based on percentage grades in the class, according to the following scheme (with no rounding):

A: 93% and above	C+: Between 77% and 80%
A-: Between 90% and 93%	C: Between 73% and 77%
B+: Between 87% and 90%	C-: Between 70% and 73%
B: Between 83% and 87%	D: Between 60% and 70%
B-: Between 80% and 83%	F: Below 60%

Course Policies

E-mails:

All e-mails to the professor must be written in a proper, professional manner. If your e-mail message is unprofessional or contains grammatical or spelling mistakes, it will be returned to you with a request that you correct the message and resend it. Before sending an e-mail, you should read it over one time.

Class attendance :

Students are expected to attend the live Zoom synchronous sessions and actively participate in class discussions. Below are the expectations for your participation in the Zoom class sessions:

- “Show up” to class in the same way you would for an in-person class
- Be virtually present through audio and video. Communicate with me if this is not possible.
- Treat others with the same respect as you would in a classroom setting. Do not use the Zoom platform for communication unrelated to coursework.
- Do not share any class content without permission.

Online pledge:

In order to respect and maintain the privacy of my peers and instructor, I pledge to refrain from sharing

any of our class materials on other platforms or any unauthorized use, disclosure, copying, distribution, or the taking of any action in reliance on the contents of this course, including but not limited to videos, assignment sheets, student comments, instructor and student posts, any identifying information for my peers or instructor. To do so would be disruptive to the course and violate the expected code of conduct. I will act in accordance with honoring the intended audiences of the work produced. I will treat class material as privileged in order to create a supportive and productive classroom.

Academic honesty:

Loyola Marymount University is a community dedicated to academic excellence, student-centered education and the Jesuit and Marymount traditions. As such, the University expects all members of its community to act with honesty and integrity at all times, especially in their academic work. Academic honesty respects the intellectual and creative work of others, flows from dedication and pride in performing one's own best work, and is essential if true learning is to take place. As an LMU Lion, by the Lion's Code, you are pledged to join the discourse of the academy with honesty of voice and integrity of scholarship.

Academic dishonesty will be treated as an extremely serious matter, with serious consequences that can range from receiving no credit for assignments/tests to expulsion.

- It is never permissible to turn in any work that has been copied from another student or copied from a source (including Internet) without properly acknowledging/citing the source.
- It is never permissible to work on an assignment, exam, quiz or any project with another person unless your instructor has indicated so in the written instructions/guidelines.
- It is your responsibility to make sure that your work meets the standard of academic honesty set forth in the "LMU Honor Code and Process." The LMU Academic Honor Code and Process can be found at: <https://academics.lmu.edu/honesty/>

Americans with Disabilities Act - Special accommodations:

Students with special needs who require reasonable modifications, special assistance, or accommodations in this course should promptly direct their request to the Disability Support Services (DSS) Office. Any student who currently has a documented disability (ADHD, Autism Spectrum Disorder, Learning, Physical, or Psychiatric) needing academic accommodations should contact the DSS Office (Daum Hall 2nd floor, 310-338-4216) as early in the semester as possible. All discussions will remain confidential. Please visit <http://www.lmu.edu/dss> for additional information. Please ask for help as early in the semester as possible!

Students should also keep in mind that resources are available through the Library (<https://library.lmu.edu>) and Information Technology Services (<https://its.lmu.edu>). The DSS Office can help students connect with the appropriate person at the Library and ITS

Tentative nature of the syllabus:

If necessary, this syllabus and its contents are subject to revision. Students are responsible for any changes or modifications announced or distributed in class, emailed to students' LMU Lion accounts or posted on LMU's course management system, Brightspace. If you are absent from an in-person or online class meeting, it is the student's responsibility to check Brightspace and with the professor to see if you missed any important class announcements. Students should not rely on word-of-mouth from classmates.