

MBAF 610/ ACCT 6198: Financial Statement Analysis and Valuation (3 credits)
Loyola Marymount University
Fall 2020

Time and location: Tuesdays, 6:30pm-9:30pm, Zoom link <https://lmula.zoom.us/j/92962206656>
(optional: Sundays, 4pm-4:30pm)

Instructor name: Hai Tran
Email: hai.tran@lmu.edu

Office hours: Mon-Wed: 1-4pm, Thursday: 9am-noon, Sunday: 2-4pm. Need to schedule individual appointments in advance through <https://calendly.com/haitranv/15min>. Use this Zoom link <https://lmula.zoom.us/j/6727306348> for individual meetings.

Required materials:

- 1) Wall Street Prep courses (\$100 – package of courses specifically for our class). Link to purchase here <https://gv142.infusionsoft.com/app/manageCart/addProduct?productId=4427>
- 2) Account with Bloomberg Education Portal https://portal.bloombergfeducation.com/sign_up. Use your LMU email address to sign up for a free account. Check ‘Yes’ to confirm you are taking BMC as part of a class and enter the class code HT5GN6RFQB.

Course structure:

This course will be taught online synchronously. We will be meeting during scheduled class times.

Course prerequisites:

MBAA 6070

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 MBA core learning outcomes:

- Students will be able to apply key concepts in the business-related area of Finance.
- Students will be able to utilize critical thinking skills in analyzing business situations.
- Students will be able to apply appropriate data analysis and risk assessment techniques in the analysis of business situations and in decision making.

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

There will be a total of 13 homework assignments. Each assignment will be posted and must be submitted within Brightspace. Each assignment will be worth 20 total points towards your final grade, for a total of 260 points.

Attendance and participation

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.

Final project

You will work individually on your final project report. You 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.

Company presentation

During the last week of class and finals week, you will make an equity research presentation based on your final project via Zoom. Specific directions on the presentation will be provided.

Bloomberg Market Concepts Certification

You will need to complete the Bloomberg Market Concepts Core Concepts certification to earn 100 points (10% of the grade). This course can be completed through your individual Bloomberg account with free access to the BMC course. It consists of four modules: Economic Indicators (1 hour – 5 points), Currency (1 hour 30 mins – 10 points), Fixed Income (2 hours 15 mins – 15 points), and Equities (3 hours 20 mins - 20 points). You will need to earn an average of 70% across 4 modules to earn full credit for this portion of the grade. The deadline to complete this certification is December 11, 2020.

Individual meetings

I would like to meet with each of you individually during the first five weeks of class. Each meeting will last 15 minutes, and its purpose is for me to get to know you better and answer any questions you may have about the class. Please schedule a time through my Calendly link.

Workload expectations

This is a 3 credit course. As such, you are expected to complete at least 6 hours of work outside of class per week. Even though these hours will vary from week to week, on average you will spend 1 hour on reviewing lectures and in-class practice problems, 2.5 hours on homework, and 2.5 hours on videos/readings to prepare for the next class.

Grading components

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

Final presentation	140 pts
Final project	300 pts
Homework and Excel assignments	260 pts
Participation and attendance	200 pts
Bloomberg Market Concepts	100 pts

Extra credit

Extra credit opportunities are available for attending Finance Society events and other Finance-related events. They will be announced on Brightspace. You will earn 2 points for each event with a maximum of 20 points total.

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 us 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.