**Course Description:**
This course is designed to uncover different investment strategies, reveal the beliefs that underlie each one, provide evidence on whether the strategies actually produce results, and what an investor needs to understand in order to implement a philosophy. The strategies covered include value investing, growth investing, technical analysis, market timing, arbitrage, fixed income total return/unconstrained, as well as various hedge fund strategies. The course will also highlight the investment philosophies of prominent investors that have achieved long-term investing success.

Prerequisites: Busfin 4211 & 4221

**Text and Materials (Required):**

The Wall Street Journal – Student access for $15 for 15 weeks of print and digital. Use the following link to subscribe: [http://r.wsj.net/hZsLm](http://r.wsj.net/hZsLm)

Additional Course Materials will be posted on Carmen

**Course Schedule:**
The following schedule is tentative and subject to change based on how the class progresses.

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Reading</th>
</tr>
</thead>
</table>
| 1    | Categorizing and Developing Investment Philosophies  
      | Assessing and Measuring Risk in the Equity Market | Ch 1 & 2 |
| 2    | Bloomberg Training  
      | Investor Policy Statement | Listed on Carmen |
| 3    | Basics of Valuation Review  
      | Trading: Implications of Costs and Taxes | Ch 4 & 5 |
| 4    | Testing Investment Strategies  
<pre><code>  | Technical Analysis Strategies and Empirical Evidence | Quiz 1 Due 9/16 at 10 p.m. |
</code></pre>
<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Authors</th>
<th>Chapters/Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Value Investing Philosophy Creating Value Screens on Bloomberg and Capital IQ</td>
<td>Ben Graham , Warren Buffett, Charlie Munger, Bill Miller, &amp; Seth Klarman</td>
<td>Ch 8 Project 1 Due 9/17</td>
</tr>
<tr>
<td>7</td>
<td>Trading on Market Moving News and Information Momentum Strategies, Timing the Market, and Impact of Leverage</td>
<td></td>
<td>Ch 10 &amp; 12 Quiz 2 Due 10/7 at 10 p.m.</td>
</tr>
<tr>
<td>8</td>
<td>Trading on News cont. Midterm on 10/10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>The Case for Indexing Jack Bogle and David Booth</td>
<td></td>
<td>Ch 13</td>
</tr>
<tr>
<td>10</td>
<td>The Essence of Arbitrage Introduction of Hedge Fund Strategies</td>
<td></td>
<td>Ch11 Project 2 Due on 10/24</td>
</tr>
<tr>
<td>11</td>
<td>Hedge Fund Strategies: Global Macro, Event Driven, Long/Short Equity Druckenmiller, Leon Cooperman, and James Chanos</td>
<td>Ray Dalio, Paul Tudor Jones, David Tepper, George Soros, Stan</td>
<td>Listed on Carmen Q3 Due 11/4 at 10 p.m.</td>
</tr>
<tr>
<td>12</td>
<td>Hedge Fund Strategies: Merger Arbitrage, Relative Value</td>
<td></td>
<td>Listed on Carmen</td>
</tr>
<tr>
<td>13</td>
<td>Hedge Fund Strategies: Activist, Quantitative, Fund of Funds Griffin</td>
<td>Carl Icahn, Bill Ackman, Ed Thorpe, Jim Simons, Cliff Asness, and Ken</td>
<td>Listed on Carmen Q4 Due 11/18 at 10 p.m.</td>
</tr>
<tr>
<td>14</td>
<td>Fixed Income Investment Strategies: Distressed Securities, Directional Debt, Absolute Return</td>
<td>Bill Gross, Howard Marks, &amp; Jeff Gundlach</td>
<td></td>
</tr>
<tr>
<td>15 &amp; 16</td>
<td>Pulling it all together: Asset Allocation and Choosing an Investment Philosophy</td>
<td></td>
<td>CH 14 Project 3 Due on 11/28</td>
</tr>
<tr>
<td></td>
<td>Final Exam based on University Schedule (found on OSU’s website)</td>
<td></td>
<td></td>
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</tbody>
</table>

**Class Format:**
This class meets twice per week. I will follow the flow of topics and concepts in the book selectively. The course will heavily rely on market moving news and events. During lectures you will be exposed to Bloomberg, which is the most powerful investor tool in the world. Regular class attendance is expected since material will be covered that is not in the text book. Please feel free to ask questions during lecture. Lecture notes will be on Carmen at least 24 hours in advance of class. I will also use Carmen to distribute emails to the class and post supplemental information.

Solving end of chapter problems is essential for success in this class. For each chapter I will post a recommended list of problems. These problems are representative of what you might see on an exam or quiz, but it is not an exhaustive list.
Grading:

<table>
<thead>
<tr>
<th>Category</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>40%</td>
</tr>
<tr>
<td>Quizzes</td>
<td>10%</td>
</tr>
<tr>
<td>Mid-term Exam</td>
<td>25%</td>
</tr>
<tr>
<td>Final</td>
<td>25%</td>
</tr>
</tbody>
</table>

No extra credit offered. Grades will be determined at the end of the term. Any curve, if there is one, is set at that time.

Projects:

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Group</th>
<th>Grade Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Investor Policy Statement</td>
<td>No</td>
<td>10%</td>
</tr>
<tr>
<td>2</td>
<td>Investment Screening &amp; Back Testing</td>
<td>Yes</td>
<td>15%</td>
</tr>
<tr>
<td>3</td>
<td>Investment Philosophies Prospectus</td>
<td>Yes</td>
<td>15%</td>
</tr>
</tbody>
</table>

In-depth project instructions will be posted on Carmen. Based on the amount of research and analysis required, it is recommended (but not required) to work in a group on projects two and three.

Quizzes: There will be 4 quizzes but only 3 will be used in your final grade. You may drop your lowest quiz score. The quizzes can be found under the Quizzes tab in Carmen. Please note the due date and time for each quiz. If you do not complete the quiz by the due date deadline, you will not receive partial credit. No quiz extensions or make-ups will be offered.

Midterm Exam and Final: Exams are closed book. Absences from exams will only be excused for the most serious of reasons and documented by an appropriately accredited professional (i.e., a medical doctor).

Optional Trading Simulation: You will have the ability to test any investment strategy on the Think or Swim platform via TD Ameritrade U. Information on creating an account will be posted on Carmen early in the semester. You will also have access to some of the most powerful investor tools in the world (Bloomberg, Capital IQ, and Thomson Reuters).

Students with Disabilities:
The Office of Disability Services verifies students with specific disabilities and develops strategies to meet the needs of those students. Students requiring accommodations based on identified disabilities should contact me at the beginning of the semester to discuss his or her individual needs. All students with a specific disability are encouraged to contact the Office of Disability Services to explore the potential accommodations available to them.

Academic Integrity:
All students enrolled in this course are responsible for abiding by the guidelines outlined in the University’s Code of Student Conduct. According to University Rule 3335-31-02, all suspected cases of academic misconduct will be reported to the Committee on Academic Misconduct. The sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.
Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University’s Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University’s Code of Student Conduct and this syllabus may constitute “Academic Misconduct.” The Ohio State University’s Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: “Any activity that tends to compromise the academic integrity of the University, or subvert the educational process.” Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University’s Code of Student Conduct is never considered an “excuse” for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct

Disenrollment:
Fisher College University Rule 3335-8-33 provides that a student may be disenrolled after the third instructional day of the quarter, the first Friday of the quarter, or the student’s second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.

NOTE: The University and College expectation is that students spend two hours outside of class for every hour spent in class. Since this course meets 3 hours per week, you should expect to spend 6 hours per week outside of class on course-related work. Thus, you should be spending at least six hours per week outside of class on this course alone. That time should be spent reading the required material, taking notes on what you were reading, rewriting your class notes, meeting with class colleagues in going over what you have learned, working on homework problems, reading current investment news to see how concepts learned tie into the course, and thinking about how the course concepts tie together.
Appendix A: Sheridan’s Recommended Readings

Sheridan’s Hall of Fame of Investment Books

*Security Analysis*, Graham & Dodd
*Fixed Income Analysis*, Frank Fabozzi
*The Intelligent Investor*, Benjamin Graham
*The Most Important Thing*, Howard Marks
*Margin of Safety*, Seth Klarman
*Irrational Exuberance*, Robert Shiller
*Liars Poker*, Michael Lewis
*Against the Gods*, Peter Bernstein
*Young Money*, Kevin Roose
*Alpha Masters*, Maneet Ahuja
*The Alchemists*, Neil Irwin
*When Genius Failed*, Roger Lowenstein
*The New Market Wizards*, Jack D. Schwager
*Too Big to Fail*, Andrew Ross Sorkin
*The Big Short*, Michael Lewis
*The Predators’ Ball*, Connie Buck
*A Random Walk Down Wall Street*, Burton Malkiel
*Fooled by Randomness*, Nassim Nicholas Taleb
*Stocks for the Long Run*, Jeremy Siegel
*Thinking, Fast and Slow*, Daniel Kahneman

Books by Topic

General Investing/Economic/Academic

*The Intelligent Investor*, Benjamin Graham
*The Most Important Thing*, Howard Marks
*Margin of Safety*, Seth Klarman
*Irrational Exuberance*, Robert Shiller
*Stocks for the Long Run*, Jeremy Siegel
*A Random Walk Down Wall Street*, Burton Malkiel
*Fooled by Randomness*, Nassim Nicholas Taleb
*The Black Swan*, Nassim Nicholas Taleb
*Thinking, Fast and Slow*, Daniel Kahneman
*The Little Book of Common Sense Investing*, John Bogle
*One Up on Wall Street*, Peter Lynch
*Beating the Street*, Peter Lynch
*The Index Revolution*, Charlie Ellis
*Buffett, Roger Lowenstein
*Poor Charlie’s Almanac*, Charles Munger
*Adaptive Markets*, Andrew Lo
*Misbehaving*, Richard Thaler
*The Alchemists*, Neil Irwin
*Common Stocks and Uncommon Profits*, Philip Fisher
*Think Twice*, Michael Mauboussin
Wall Street Culture & History
Liars Poker, Michael Lewis
Too Big to Fail, Andrew Ross Sorkin
After the Music Stopped, Alan Blinder
The Big Short, Michael Lewis
The Predators’ Ball, Connie Buck
Young Money, Kevin Roose
Other People’s Money, John Kay
A History of the United States in Five Crashes, Scott Nations
America’s Bank, Roger Lowenstein
Flash Boys, Michael Lewis
Barbarians at the Gate, Brian Burrough & John Helyar

Hedge Funds
When Genius Failed, Roger Lowenstein
A Man for all Markets, Edward Thorp
More Money than God, Sebastian Mallaby
Alpha Masters, Maneet Ahuja
Black Edge, Sheelah Kolhatkar
The New Market Wizards, Jack D. Schwager
No Bull, Michael Steinhardt
When the Wolves Bite, Scott Wapner
A Tiger in the Land of Bulls and Bears, Julian Robertson
Principles, Ray Dalio
Hedge Fund Market Wizards, Jack Schwager
Fooling Some of the People All of the Time, David Einhorn
The Alchemy of Finance, George Soros
The Quants, Scott Patterson

Investing Foundations and Valuation
Security Analysis, Graham & Dodd
Fixed Income Analysis, Frank Fabozzi
Narrative and Numbers, Aswath Damodaran
The Little Book of Valuation, Aswath Damodaran

Non-Investing Books (that cover various investing themes)
The Art of Learning, Josh Waitzkin
Thinking in Bets, Annie Duke
The Curse of Cash, Kenneth Rogoff
The Outsiders, William Thorndike, Jr.
Sapiens: A Brief History of Humankind, Yuval Noah Harari
Rise of the Robots, Martin Ford
The Signal and the Noise, Nate Silver
Appendix B: Suggested Investing Related Podcasts

Masters in Business with Barry Ritholtz
Robert Arnott  7/26/18
Ed Yardeni  5/23/18
James Chanos  5/11/18
Joel Greenblatt  4/20/18
Ray Dalio  12/7/2017
Katie Stockton  9/8/17
Richard Clarida  8/3/17
Ed Thorp  7/14/17
William Sharpe  6/2/17
Andrew Lo  4/21/17
Charles Ellis  4/13/17
Burt Malkiel  3/31/17
Michael Lewis  12/9/16
Bill Miller  11/4/16
Aswath Damodaran  10/28/16
William McNabb  10/21/16
Michael Mauboussin  8/12/16
Daniel Kahneman  8/4/16
Jack Schwager  6/22/16
Jack Bogel  3/11/16
Mohamed El-Erian  2/13/16
Roger Lowenstein  12/5/15
Ken Fisher  11/30/15
Mario Gabelli  10/30/15
Jeremy Siegel  10/18/15
Jason Zweig  09/11/15
Nate Silver  8/21/15
Howard Marks  7/19/15
Richard Thaler  6/14/15
Scott Galloway  6/5/15
David Booth  5/22/15
Cliff Asness  2/21/15