

FINA5210: INVESTMENTS
Spring 2026

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CLASS: Mon 2:00-4:50 PM BLB040
OFFICE HOURS: Mon. 10:00-11:00 AM 358H

COURSE DESCRIPTION

This course introduces the fundamentals of investment, with a primary emphasis on equity markets and valuation techniques. Investment is a dynamic blend of theory and practice, and we learn that way. The theoretical foundation is drawn from the textbook and current research in finance, while practical applications connect these concepts to real-world financial markets.

COURSE OBJECTIVES

The course is designed around three core objectives:

1. **Introduction to Investments:** Learn the foundational elements of investing to develop a strong starting point as an investor.
2. **Valuation and Fundamental Analysis:** Acquire valuation tools and techniques to enhance your investment decision-making as a value investor.
3. **Advanced Investment Topics:** Explore Portfolio Theory & Practice, and Capital Market Equilibrium (Topic III), and Derivatives (Topic IV) to build a more sophisticated understanding of investment strategies.

The instructional philosophy emphasizes critical thinking and active learning through investment practicing. Students are encouraged to actively engage in creating and applying knowledge rather than passively memorizing information. The ultimate goal is to equip students with the ability to address complex, real-world investment problems using the skills and frameworks developed in this course.

PREREQUISITES:

Prerequisite(s): FINA 5170 or equivalent; ECON 1100 or ECON 5000 or equivalent; ACCT 2010 or ACCT 5020 or equivalent; MATH 1190 or equivalent, or consent of department.

COURSE MATERIALS

- Required Text: **Investments**, by Bodie, Kane and Marcus, **13th edition**, Publisher: McGraw-Hill, [ISBN 978-1264412662](https://www.mhhe.com/bodie_kane_marcus_investments_13e)
- Calculator: A calculator is required for this course. **No sharing** of calculators during the exam
- Database and Platform: Bloomberg Terminal, Morningstar Direct
- Suggested Reading: [Yahoo Finance](https://finance.yahoo.com/), The Wall Street Journal (WSJ).

GRADING

Homework	15%
Discussion participation	5%
Investment Project (group project): Security Analysis	20%
Midterm Exam	30%
Final Exam	30%
Trading Project Bonus	3%

Scale

- A = 90 and above (including 90)
- B = 80 – 89.9
- C = 70 – 79.9
- D = 60 – 69.9
- F = 0 – 59.9

I will try to adhere to the above grading scale but I reserve the right to deviate from it. **I don't negotiate grades. You earn them.** I will not respond to requests for “extra credits”, “special treatment”, “boost”, “bonus” or “curving”. Your grade won't change because you “need”, or “deserve” better grades.

GRADE APPEALS

All grade appeals must be done **within three days** of the posted grade. I will not look into grades appealed after three days past the date of grade postings for any exam. All appeals of exam grades must be written and emailed to me.

HOMEWORK

- All homework must clearly show **major steps**. Final answers without supporting work will not receive credit.
- Homework must be submitted online through Canvas using either the text entry box or a file upload (Word or excel). Submissions via email, hard copy, or other formats will not be accepted.
- Homework is due every **Sunday** when there is homework assigned for the week. Late submissions will **not** be accepted under any circumstances.
- Homework problems are assigned from the end-of-chapter **Problem Sets** or **CFA Problems** in the textbook.

EXAMS

- Exams will cover only lecture material.
- Any missed exam will receive a grade of zero if no legitimate reasons are provided by the student and **approved** by the instructor **before** the exam. When approved, the student can carry the weight of the missed midterm to the final. There will be **no** make up for the final.
- A web camera or a laptop with integrated camera is required for all remote exams. It is your responsibility to obtain a properly functioning camera for remote exams. Your test score will be invalid without a functioning camera. All remote exams will be administered through Canvas using Respondus Lockdown Browser with Camera option. Respondus Lockdown browser can be downloaded through your Canvas account.

DISCUSSIONS

We will have weekly online discussions, scheduled for most weeks. Topics and requirements for these discussions are available on Canvas under the "Discussions" section. Some discussions will be graded, while others will not. Regardless of grading, your active participation is crucial for achieving the desired learning outcomes in this course. You will learn from the professor, the real market, and also from your peers.

DROPPING THE COURSE

Students wishing to drop a class should visit the Registrar's website for assistance:

<https://registrar.unt.edu/registration/dropping-class>

There are different procedures depending on whether the class is dropped before or after the census date for the term.

DISABILITY ACCOMODATION

UNT makes reasonable academic accommodation for students with disabilities. Students seeking accommodation must first register with the Office of Disability Accommodation (ODA) to verify their eligibility. If a disability is verified, the ODA will provide a student with an accommodation letter to be delivered to faculty to begin a private discussion regarding one's specific course needs. Students may request accommodations at any time, however, ODA notices of accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of accommodation for every semester and must meet with each faculty member prior to implementation in each class. For additional information see the ODA website (<https://disability.unt.edu/>).

ACADEMIC DISHONESTY

The G. Brint Ryan College of Business takes academic honesty seriously. Ethics and integrity are important business values, essential to building trust and adhering to both professional and legal standards. Academic dishonesty destroys trust, damages the reputation and the value of the degree and is unacceptable.

According to UNT Policy 06.003, Student Academic Integrity, academic dishonesty occurs when students engage in behaviors including, but not limited to cheating, fabrication, facilitating academic dishonesty, forgery, plagiarism, and sabotage. A finding of academic dishonesty may result in a range of academic penalties or sanctions from admonition (a warning) to expulsion from the University.

Some of the most common examples of academic integrity violations include plagiarism or cheating, such as unauthorized assistance on examinations, homework, research papers or case analyses. Your work must be entirely your own. When working on assignments, you should not discuss your work with others unless approved by the course instructor. Group assignments should only be discussed with members assigned to your group, and all group members may be held accountable in some way for known academic integrity violations in a group assignment.

Another example of academic dishonesty relates to improper attribution. When preparing your assignments, you must cite all outside sources in the manner requested by your instructor. Copying or using material from any source prepared by or previously submitted by others, at UNT or other institutions, or downloaded from the Internet, is plagiarism. Unless directed otherwise in an assignment, large scale “cutting and pasting” from other sources, even if properly footnoted, is not appropriate. You should synthesize this material in your own words and provide a footnote.

Your instructor will specify what materials, if any, may be used on the tests and exams. Using materials other than those permitted, talking with other individuals during the exam, individuals exchanging information about an exam when one has taken the exam and the other has not, or copying or using material from another individual’s exam is academic dishonesty and will result in a meeting to discuss academic integrity violations and potentially issue sanctions mentioned above, and may result in ineligibility for academic scholarships. The use of online assistance, such as sites commonly used for finding homework solutions, group chat, cell phones, smart watches, and similar tools during exams is not allowed for any reason unless specifically permitted. No portion of an exam may be copied or photographed without permission.

Students are expected to conduct themselves in a manner consistent with the University's status as an institution of higher education. A student is responsible for responding to a request to discuss suspected academic dishonesty when issued by an instructor or other University official. If a student fails to respond after a proper attempt at notification has been made, the University may take appropriate academic actions in the absence of the student’s participation.

STUDENT PERCEPTIONS OF TEACHING (SPOT)

Student feedback is important and an essential part of participation in this course. The student evaluation of instruction is a requirement for all organized classes at UNT. The SPOT survey will be made available during **weeks 13 and 14** of the long semesters to provide students with an opportunity to evaluate how this course is taught. Students will receive an email from "UNT SPOT Course Evaluations via *IASystem* Notification" (no-reply@iasystem.org) with the survey link. Please look for the email in your UNT email inbox. Simply click on the link and complete your survey. Once you complete the survey you will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at www.spot.unt.edu or email spot@unt.edu.

EAGLE CONNECT ACCOUNT

All students should activate and regularly check their EagleConnect (e-mail) account. EagleConnect is used for official communication from the University to students. Many important announcements for the University and College are sent to students via EagleConnect. For information about EagleConnect, including how to activate an account and how to have EagleConnect forwarded to another e-mail address, visit <https://eagleconnect.unt.edu/>

EMERGENCY EVACUATION PROCEDURES FOR BUSINESS LEADERSHIP BUILDING:

- **Severe Weather** In the event of severe weather, all building occupants should immediately seek shelter in the designated shelter-in-place area in the building. If unable to safely move to the designated shelter-in-place area, seek shelter in a windowless interior room or hallway on the lowest floor of the building. All building occupants should take shelter in rooms 055, 070, 090, and the restrooms on the basement level or in rooms 170, 155, and restrooms 122, 182 or 183 on the first floor.
- **Bomb Threat/Fire** In the event of a bomb threat or fire in the building, all building occupants should immediately evacuate the building using the nearest exit. Once outside, proceed to the designated assembly area. If unable to safely move to the designated assembly area, contact one or more members of your department or unit to let them know you are safe and inform them of your whereabouts. Persons with mobility impairments who are unable to safely exit the building should move to a designated area of refuge and await assistance from emergency responders. All building occupants should immediately evacuate the building and proceed to the south side of Crumley Hall in the grassy area, west of parking lot 24.

COURSE OUTLINE

Week	Content	Date	Topic	Chap	HW
Week 1	The Investment Environment and Major investment Issues	1/12	I: Introduction to Investments	1	
Week 2	MLK, no class	1/19			
Week 3	How Securities are Traded	1/26		3	Problem Set:9a,14,16 Due 2/1
Week 4	Equity Valuation-Basic	2/2	II: Valuation and Fundamental Analysis	18	
Week 5	Equity Valuation-Advanced	2/9		18	
Week 6	Equity Valuation-Application	2/16		18	Problem Set:7,9,14,20a, 23a,b Due 2/22
Week 7	Macroeconomic and Industry analysis	2/23		17	
Week 8	Financial Statement Analysis	3/2		19	
Week 9	Spring Break	3/9			
Week 10	Midterm Exam (Chapter 1,3,17,18,19)	3/16			
Week 11	Project Midterm Presentations & Discussions (Project mid-report due by 3/22)	3/23			
Week 12	Risk and Return Capital Allocation to Risky Assets	3/30	III: Portfolio Theory and Practice, Equilibrium in Capital Markets	5,6	Chapter5(CF A Problems: 3, 4, 5,7) Chapter 6(Problem sets 13, 14, 17, 18) Due 4/5

Week 13	Diversification The Capital Asset Pricing Model	4/6		7,9	Chapter 7 (CFA Problems: 12a, b) Chapter 9 (Problem sets 1,21, CFA Problems: 2) Due 4/12
Week 14	The Efficient Market Hypothesis and Behavioral Finance	4/13		11,12	
Week 15	Option Markets	4/20	IV: Derivatives	20	Chapter 20 (Problem Sets: 5, 6) 4/26
Week 16	Project Final Presentations (Project Written Report Due on 4/26)	4/27			
Week 17	Final Exam (Chapter 5,6,7,9,11,12, 20)	5/4			

The stated schedule and procedures in this course are subject to change in the event of extenuating circumstances.

Security Analysis Project

As a stock market analyst, you should recommend one stock to your investors. Write a 25 page (double space) report (not including tables or charts copied from other recourses) following the stock analysis template. You should also include any Excel spread sheets used in your analysis. Each team (including every team member) will do a PowerPoint presentation (about 25 minutes) in class. Some guidelines:

- Each team member should contribute to and understand the whole project.
- The project should be presented in a professional way.
- The report should be assembled in a professional way.
- The written report, PowerPoint and Excel files should be emailed to the instructor one day before your group's presentation.
- **Peer evaluation:** You will also be evaluated by your group members based on your participation and contribution to the project.

Framework of Security Analysis Project

Your group can choose one of the following stocks to analyze: Apple, Alphabet, Amazon, Alibaba, AT&T, Airbnb, Bank of America, Boeing, BYD, Chipotle, DocuSign, Fiverr, Ford, GM, Groupon, iRobot, iMax, JPMorgan, Lyft, Meta, Netflix, Nvidia, AMD, PayPal, Pfizer, Pinterest Roblox, Roku, Spotify, Shopify, Snap, Sofi, Stellantis, Teladoc, Tesla, Tencent, Uber, Verizon, and Zoom. You can also choose any stock that is not on the list.

- I. Quick opinion. Summarize your analysis by simple numbers, including: Report Date, S&P value, Last Price (when the report is submitted), **Intrinsic Value**, Economic Moat, and Recommendations. Use the Morningstar style and put this session on the top your report.
- II. **The Investment Thesis:** This section highlights your key insights into the company and its stock. Think of it as an abstract in bullet points—an elevator pitch delivered in 30 seconds.
- III. **Business Analysis:** When you buy stock of a company, essentially you are buying the business. Analyzing a stock starts with understand its business.
 - Profile of company (in your own words)
 - Macroeconomic and industry analysis
 - Analysis of the company and the prospects of its major products and services.
- IV. **Financial analysis:** Major financial statements and ratio analysis. More important is **forecasting the future**. More specifically, a projection of sales, margins (gross margin, operating margin, profit margin), profits and most important, earning per share (EPS) for the coming quarter and fiscal year end. It should also project growth rate of sales and earnings for next five years. Extensive use of spreadsheets is expected. Use historical data from Morningstar Direct in your analysis. From Morningstar Direct, you should be able to obtain historical moat rating, star rating, all historical financial statement data and data derived from financial statements. Try to project long term trend using those historical data.
- V. **Stock Valuation:** Calculating the fair current value (**Intrinsic Value**) of the stock. In theory, fair value (also called intrinsic value) is what the stock price should be given the market is free from errors. It can be calculated in various ways, depending on what model you use. Commonly used models are P/E multiples, Dividend

discount models and Free Cash Flow models. This analysis needs the help of analytical tools like Excel. Some reports also project expected stock price in one year.

- VI. **Bulls vs. Bears:** There are always bull and bear views for any stock. That is why at any price, there are buying and selling orders—the two side of the same coin of a transaction. Try to see the arguments for two sides.
- VII. **The moat:** You should also discuss the economic moat (a concept borrowed from Warren Buffet), which is the sustainable competitive advantage in the long term.
- VIII. **Risk:** the risks of investing in the company
- IX. **Investing strategy:** this is your action plan as an investor. Your strategy choices include buy, sell, hold, wait, avoid, short, etc...
- X. **Notes:** A timely records of analysis of important events of the company and its stock
- XI. **Reference:** You **MUST** cite **ALL** resources your analysis uses.
 - It is OK to use information from various resources. It is not acceptable not to cite them. Just listing several websites at the end is not the correct way of citation. Citation is always important for other investors to check your facts and numbers.
 - Whenever an external recourse is used, you should use footnotes like this: Recent Morningstar reports states that *“Unprecedented increases in commodity costs have put a strain on Kraft's profitability.”*¹ All cited information must be quoted using quotation marks and Italicize the text like the example. Each citation cannot be longer than three sentences.
 - You can use external resources for historical financial statement data, but projections for future performance and calculations of intrinsic values must be your own.

Analysis/Presentation Tips

1. Do not just list facts, form opinions, especially opinions that are related to intrinsic value.
2. It is an investment analysis, not a business/strategy project.
3. Discuss your key valuation assumptions in your presentation (short term growth, long term growth rate, discount rate, etc..) and focus on key findings.

Project midterm report:

Submit a two pages report summarizing your progress and findings, including

- Stock choice, group names
- Your Investment Thesis, in less than 100 words.
- Preliminary Business analysis and key findings
- Preliminary Financial analysis and key conclusions
- Fair value estimation

A team leader (or representative) will **present** (with PPT) your preliminary findings. The presentation is about 10 minutes. The report should be submitted one day before the presentation.

¹ Morning star report on KFT, October 2020

Bonus Trading Project: Who wants to be a millionaire! (This is an individual trading simulation project)

You can earn up to 3% of your course score for this bonus project!

- a. Register and Log-in to Virtual Stock Exchange Games (www.marketwatch.com/game). You must use your real name to be graded.
- b. Join game: UNT2026SpringMaster Game Password: \$JustTradeIt
- c. Start trading stocks from “UNT2026SpringMaster”. You can also view your portfolio, trade history, benchmarks, and rankings.
- d. Your grade of the project is related with the relative performance of your portfolio (at the end of the term) and how active you are in trading.
- e. The project is due on **April 27th Monday**. That is your last trading day. All you need to do is trading and taking notes. No report needed. You can still continue to trade for fun after the due date till **January 12th** next year.

Game Details:

Game Name	UNT2026SpringMaster
Vanity URL	https://www.marketwatch.com/games/unt2026springmaster
Start Date	1/12/2026
End Date	1/12/2027
Players Can Join After Start	Yes
Enable Commenting	Yes

Game Description

Trade to learn, Trade to gain, Trade to win.

Privacy Options

Player Portfolios	Public
Public or Private Game	Private

Game Password

Included Symbols

Trade from over 5,000 public companies and funds from the following markets: Nasdaq, NYSE, NYSE American, OTC.

Portfolio Options

Player Starting Balance	\$100000
Commission Value	\$0
Credit Interest Rate	1%
Debt Interest Rate for Leverage	6%
Minimum Price Limit	\$1
Maximum Price Limit	\$500000.00
Enable Short Selling	Enabled
Enable Margin Selling	Enabled
Enable Limit Order	Enabled
Enable Stop Loss	Enabled
Enable Partial Shares	Enabled