



THE OHIO STATE UNIVERSITY

FISHER COLLEGE OF BUSINESS

Investment Strategies and Philosophies

Busfin: 4225 Fall 2021

Course Description and Syllabus

Instructor: Matt Sheridan, CFA, CAIA

Lecture: Monday/Wednesday 12:45 – 2:05 p.m. & 2:20 – 3:40 p.m. in SB220

Office Hours: By Appointment **Office:** 306 Fisher Hall **Email:** sheridan.146@osu.edu

Course Twitter Handle: @Sheridanfinance

Course Description:

This course is designed to uncover different investment strategies, reveal the beliefs that underlie each one, evaluate historical performance. The strategies covered include value investing, growth investing, technical analysis, fixed income, real assets, and various hedge fund strategies. The course will also highlight the investment philosophies and strategies of prominent investors that have achieved long-term investing success.

Prerequisites: Busfin: 4211 & 4221

Required Materials

- The Wall Street Journal – Student access for print and digital. Use the following link to subscribe: <https://r.wsj.com/PROFctgm>

Recommended/Optional Materials

- *Investment Philosophies, 2nd Edition: Successful Strategies and the Investors Who Made Them Work* by Aswath Damodaran
- 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.

Week	Topic	Reading
1	8/25 Course Overview	
2	Current State of the Global Financial Markets Categorizing and Developing Investment Philosophies	Ch 1
3	9/6 Labor Day (No Class) Overview of Investment Strategies	Listed on Carmen
4	Historical Asset Class Returns Assessing and Measuring Risk	Ch 2 Quiz 1 Due 9/19 at 11:59 p.m.
5	Implications of Costs and Taxes Valuation Review Mental Models & Decision-Making Framework	Ch 4 & 5 Listed on Carmen

6	The Case for Indexing: Active VS. Passive Mutual Fund & ETF Evaluation Investor Policy Statement	Ch 13
7	Bloomberg Training Technical Analysis Strategies and Empirical Evidence Market Sentiment Indicators	Ch 7 Quiz 2 Due 10/10 at 11:59 p.m.
8	Value Investing Philosophy	Ch 8
9	Creating Value Screens on Bloomberg and Capital IQ Midterm on 10/20	Project 1 due 10/24 at 11:59 p.m.
10	Growth Investing Philosophy: Small Cap and Growth Investing Creating Growth Screens on Bloomberg and Capital IQ	Ch 9
11	Fixed Income Investment Strategies Market Moving News and Information	Q3 Due 11/7 at 11:59 p.m. Ch 10
12	Alternative Data: AI, location tracking apps, satellite imaging, social media sentiment, and machine learning Pitfalls of trying to Time the Market	Ch 12
13	Tactical Asset Allocation & Rebalancing Portfolios Hedge Fund Structure and Historical Performance	Listed on Carmen
14	Hedge Fund Strategies 11/24 Thanksgiving Break (No Class)	Listed on Carmen & Ch 11
15	Real Assets: Real Estate, Infrastructure, Farmland & Timber Investments, and Art	Listed on Carmen Project 2 Due 12/1 in class Q4 Due 12/5 at 11:59 p.m.
16	Financial Bubbles Choosing an Investment Philosophy	Listed on Carmen & CH 14
Final Exam based on University Schedule: https://registrar.osu.edu/scheduling/finals/finals.asp		

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 (publically available) investor tool in the world. Regular class attendance is expected since material will be covered that is not in the textbook. 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.

Grading and Faculty Response

Independent Work [N ↑]: Strictly non-collaborative, original individual work. Discussions with instructor only. No use of Email, Texting, GroupMe, Google Groups or Hangouts, WeChat, LinkedIn, Facebook Messenger, WhatsApp, Slack, or other forums.

Collaboration-Required [C 🧑‍🤝🧑]: An explicit expectation for collaboration among students either in-class or outside (e.g. in group projects).

Assignment Category	% of Total Grade	Type
Quizzes	10%	N ↑
Project 1	20%	N ↑
Project 2	20%	C 🏠
Midterm Exam	25%	N ↑
Final Exam	25%	N ↑

Please note:

- No extra credit will be offered
- Grades will be determined at the end of the term. Any curve, if there is one, is set at that time
- Grades will not be changed except for a mathematical error

Descriptions of Major Course Assignments

Projects:

Project	Description
1	Investor Policy Statement
2	TA, Value, and Growth Strategies

In-depth project instructions will be posted on Carmen and covered in class.

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 and Final Exam:

All exams are classified as individual work and the use of any outside material (e.g., book, notes, internet connected devices, ect.) is strictly prohibited. Due to Covid-19, course exams will be administered online and monitored by Proctorio.

Missed exams can only be made-up in extreme cases (e.g., death of family member, personal hospitalization, etc.) with proper documentation (e.g., Emergency Room paperwork, obituary, etc.). Each decision of potentially allowing a make-up exam is made by the instructor on a case-by-case basis. Additionally, you MUST contact the instructor via email (Sheridan.146@osu.edu) if you are experiencing an extreme situation or emergency ASAP. Alternative methods (e.g., oral exam, essay) of testing may be used for make-up exams.

Final Exam time and date are set by OSU's official final exam schedule. The schedule can be found at: <https://registrar.osu.edu/scheduling/finals/finals.asp>

Note that final exams must take place during official College exam periods, and not during the last week of regular coursework. No requests to take exams early/late or with a different course section will be granted.

Credit hours and work expectations

This is a 3 credit-hour course. According to [Ohio State bylaws on instruction](https://go.osu.edu/credithours) (go.osu.edu/credithours), 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, reviewing lecture notes, meeting with class colleagues in going over what you have learned, working on homework problems, reading current investment news.

Instructor Feedback and Response Time

I am providing the following list to give you an idea of my intended availability throughout the course. Remember that you can call [614-688-4357 \(HELP\)](tel:614-688-4357) at any time if you have a technical problem.

- **Preferred contact method:** If you have a question, please contact me first through my Ohio State email address. I will reply to emails Monday – Friday within 24 hours on days when class is in session at the university.
- **Class announcements:** I will send all important class-wide messages through the Announcements tool in CarmenCanvas. Please check [your notification preferences](https://go.osu.edu/canvas-notifications) (go.osu.edu/canvas-notifications) to ensure you receive these messages.
- **Grading and feedback:** For projects, I will try to provide feedback and grades within ten days. All quizzes and exams will be immediately graded in Carmen upon submission.

Grading Scale

93–100: A
90–92.9: A-
87–89.9: B+
83–86.9: B
80–82.9: B-
77–79.9: C+
73–76.9: C
70–72.9: C-
67–69.9: D+
60–66.9: D
Below 60: E

Academic Integrity Policy

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](http://studentconduct.osu.edu) (studentconduct.osu.edu), 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.

If I suspect that a student has committed academic misconduct in this course, I am obligated by university rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the university's *Code of Student Conduct* (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the university.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

Other sources of information on academic misconduct (integrity) to which you can refer include:

- [Committee on Academic Misconduct](http://go.osu.edu/coam) (go.osu.edu/coam)
- [Ten Suggestions for Preserving Academic Integrity](http://go.osu.edu/ten-suggestions) (go.osu.edu/ten-suggestions)
- [Eight Cardinal Rules of Academic Integrity](http://go.osu.edu/cardinal-rules) (go.osu.edu/cardinal-rules)

Copyright for Instructional Materials

The materials used in connection with this course may be subject to copyright protection and are only for the use of students officially enrolled in the course for the educational purposes associated with the course. Copyright law must be considered before copying, retaining, or disseminating materials outside of the course.

Your Mental Health

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may

lead to diminished academic performance or reduce a student's ability to participate in daily activities. No matter where you are engaged in distance learning, The Ohio State University's Student Life Counseling and Consultation Service (CCS) is here to support you. If you find yourself feeling isolated, anxious or overwhelmed, [on-demand mental health resources](https://go.osu.edu/ccsondemand) (go.osu.edu/ccsondemand) are available. You can reach an on-call counselor when CCS is closed at [614- 292-5766](tel:614-292-5766). **24-hour emergency help** is available through the [National Suicide Prevention Lifeline website](https://www.suicidepreventionlifeline.org) (suicidepreventionlifeline.org) or by calling [1-800-273-8255\(TALK\)](tel:1-800-273-8255). [The Ohio State Wellness app](#)

Accessibility Accommodations for Students with Disabilities

The university strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability including mental health, chronic or temporary medical conditions, please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I may request that you register with [Student Life Disability Services \(SLDS\)](#). After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion.

Student COVID-related Accommodation Process:

The university is committed to supporting students and program participants with COVID-19 based risk factors. Student Life Disability Services, in conjunction with the Office of Institutional Equity, will work with students who are vulnerable to complications from COVID-19 to ensure that they have the necessary resources to participate in university life as safely as possible. Ohio State students from any campus may submit a [COVID-related accommodation request](#). Students registered with Student Life Disability Services can work directly with their [assigned Access Specialist](#) to modify their accommodations or make additional COVID-based accommodation requests.

Disability Services Contact Information

- Phone: [614-292-3307](tel:614-292-3307)
- Website: slds.osu.edu
- Email: slds@osu.edu
- In person: [Baker Hall 098, 113 W. 12th Avenue](#)

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
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
Mastering the Market Cycle, Howard Marks

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
Billion Dollar Whale, Tom Wright & Bradley Hope

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 Man Who Solved the Market, Gregory Zuckerman
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
Valuation 7th Edition, Tim Koller, Marc Goedhart, and David Wessels
Narrative and Numbers, Aswath Damodaran
The Little Book of Valuation, Aswath Damodaran

Non-Investing Books (that cover various investing themes)

Factfulness, Hans Rosling
The Art of Learning, Josh Waitzkin
Thinking in Bets, Annie Duke
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
Are You Ready to Succeed?, Srikumar Rao

Appendix B: Suggested Investing Related Podcasts

Masters in Business with Barry Ritholtz

Bill Miller	7/10/2020	Andrew Lo	4/21/2017
Jim Chanos	5/2/2020	Burt Malkiel	3/31/2017
Fama & Booth	11/8/2019	Michael Lewis	12/9/2016
Josh Wolfe	8/16/2019	Bill Miller	11/4/2016
Michael Lewis	4/5/2019	Aswath Damodaran	10/28/2016
Howard Marks	2/27/2019	William McNabb	10/21/2016
Joe Davis	2/15/2019	Michael Mauboussin	8/12/2016
Jack Bogel Remembered	1/18/2019	Daniel Kahneman	8/4/2016
Bethany McLean	12/13/2018	Jack Schwager	6/22/2016
Ray Dalio	11/30/2018	Jack Bogel	3/11/2016
Howard Marks	10/4/2018	Mohamed El-Erian	2/13/2016
Leon Cooperman	8/10/2018	Roger Lowenstein	12/5/2015
Robert Arnott	7/26/2018	Jeremy Siegel	10/18/2015
Joel Greenblatt	4/20/2018	Jason Zweig	9/11/2015
Ray Dalio	12/7/2017	Howard Marks	7/19/2015
Katie Stockton	9/8/2017	Richard Thaler	6/14/2015
Richard Clarida	8/3/2017	Scott Galloway	6/5/2015
Ed Thorp	7/14/2017	David Booth	5/22/2015
William Sharpe	6/2/2017	Cliff Asness	2/21/2015

The Knowledge Project – Shane Parrish

Winning the Great Game (Part 1 & 2): Adam Robinson
Getting Better by Being Wrong: Annie Duke
Life Lessons from a Self-Made Billionaire: Ray Dalio
A Decision Making Jedi & When to Trust Your Gut: Michael Mauboussin
Elevate Your Financial IQ: Jason Zweig

The Tim Ferriss Show

Howard Marks
Ray Dalio
Hedge Funds, Investing, and Optimizing Lifestyle: Mark Hart & Raoul Pal
Becoming the Best Version of You: Josh Waitzkin, Adam Robinson, & Ramit Sethi

Other Investment Related Podcast Suggestions

NPR Planet Money
NPR The Indicator from Planet Money
The Meb Faber show
The Curious Investor by AQR Capital Management, LLC
Animal Spirits – Michael Batnick and Ben Carlson
Invest Like the Best – Patrick O'Shaughnessy
Naval Podcast
The Grant Williams Podcast