Syllabus

**Time/Location:** Wednesdays, 4:40pm – 7:10pm, Soc Sci 139

**Instructors:** Emma Rasiel: ebr4@duke.edu; John Caccavale: john.caccavale@duke.edu

**Course Goals**

The goal of this course is to provide insight into various areas of investment banking. What jobs are available? What are the roles of analysts in these jobs? Over the course of the semester, students will learn the skills and tools necessary to do well in interviews for internships, as well as in the internships themselves.

The course also addresses aspects of the investment banking recruiting process: resume reviews, networking skills, and interview preparation.

**Visiting talks and banks’ information sessions**

From time to time, there will be visiting speakers from Wall Street for part of the class. Occasionally, part of the class may include attending financial firms’ information sessions or other recruiting-related activities.

**Text books**

There are no *required* text books for this class, however students are strongly encouraged to obtain a subscription to the Wall Street Journal and read it daily, and to read “Random Walk Down Wall Street” by Burton Malkiel (either the 2016 or the 2012 edition). Handouts and other online materials (such as excel files) will be provided on Sakai for students to download.

**Assignments and grading**

1. Creating and submitting a one-page resume: *due Jan 25, 2017*

2. Participation in **one** of the following team-based competitions:
   a. The Morgan Stanley Equity Research competition (teams of 2):
      i. Registration opens and guidelines released on January 23
      ii. *submissions due Monday, February 20*
   
   or
   b. The Goldman Sachs Trade Pitch competition (teams of 3):
      i. Registration for this competition is from January 27 – February 3, with guidelines released on February 3
      ii. *submissions due Monday, Feb 27*

For both of these competitions, the 10 best teams will be invited to make presentations to a panel of visitors from the Sponsoring firm. *All* students (regardless of whether they were selected to present to the Panel) will be invited to a post-Panel reception with the panelists from the Sponsor. See [http://econ.duke.edu/DFE/competitions](http://econ.duke.edu/DFE/competitions) for a more detailed timeline of all of the DFE competitions this semester.
Note 1: students may participate in both of these competitions if they wish – if so, the highest grade that they achieve between the two will be used for grade calculation purposes.

Note 2: students in Econ 256 are welcome to form teams (team size as specified above) with sophomores who are not in Econ 256, and in fact are encouraged to do so.

3. Participation in the BlackRock Asset Allocation competition:
   i. Registration for this competition is from February 17 – February 24, with guidelines released on Friday, February 24
   ii. submissions due Monday, April 3

Once again, the best 10 teams will be invited to present to a Panel of visitors from BlackRock, followed by a Reception for all students.

4. Participation in the Deutsche Bank Game Show (event to be held on April 4):
   i. All students will apply (in teams of 4) to compete in the Game Show
   ii. While only 12 teams will be selected, all students are expected to review the reading materials that will be posted for this competition, and from which some Game Show questions will be taken
   iii. There may be extra credit opportunities for students who are spectators for one or more rounds of the game show (primarily by correctly answering questions that the participating teams were unable to answer).
Course Synopsis

Introduction
- Wall Street Demystified
- Macroeconomic overview and introduction to interest rates
- How to construct a resume

Corporate Valuation
- Equities: pricing and comparables analysis
- Financial accounting for Discounted Cash Flow (DCF) valuation model
- Comparables Analysis
- CAPM for DCF model
- DCF Model: hands-on exercise – from template to completion and sensitivity analysis
- Comparables revisited and Precedent Transactions
- The Football Pitch display – bringing all of the valuation models together
- Simple LBO

Qualitative Equity Analysis
- How to do a Stock Pitch
- Equity Research

Portfolio Analysis
- Asset Allocation
- Portfolio Risk Management

Financial Markets
- Market participants
- Monetary & Fiscal policy
- Market language and the Trading Floor
  - Equities
  - Fixed Income
  - Foreign Exchange
  - Commodities
- Technology and Regulation