Syllabus

**Time/Location:** Wednesdays, 5:15pm – 7:45pm. This course will be taught entirely online in Fall 2020

**Zoom details:**
Meeting ID: 995 4851 9900
Passcode: Econ256

**Instructor 1:** John Caccavale: john.caccavale@duke.edu;  
**Office hours for anyone:** see https://econ.duke.edu/dfe/student-resources

**Instructor 2:** Emma Rasiel: emma.rasiel@duke.edu  
**Office hours for Econ 256 only:** Tuesday, 4:30 – 6:00 Zoom: 919 602 1970  
**Office hours for anyone:** see http://people.duke.edu/~ebr4/erasiel.htm

**All office hours for both instructors are “walk-in” (Zoom waiting room)**

**TA Office hours:** All of the TAs have had summer internships in finance – you are welcome to use their office hours for recruiting-related as well as course-related questions.

- **Gianna Affi:** 12:00pm-1:30pm Mondays Zoom: 229 611 3941  
  *Gianna was a summer intern in global capital markets*

- **Jonah Lowey:** 3:30pm – 5:00pm Mondays; Zoom: 760 499 4057  
  *Jonah was a summer intern in investment banking*

- **Barbara Euripides:** 8:00pm – 9:30pm Wednesdays; Zoom: 268 385 6407 Password: 450629  
  *Barbara has had both IBD and S&T summer internships; she is also willing to do 15-20 minute mock interviews during her office hours.*

- **Davis Jones:** 2:00pm – 3:30pm Thursdays Zoom: 336 707 4457  
  *Davis was a summer intern in investment banking/capital markets*

- **Noah Karpel:** 2:00pm – 3:30pm Fridays 379 878 7486  
  *Noah was a summer intern in investment banking*

- **Arjun Bakshi:** 5:00pm – 6:30pm Sundays; Zoom: 555 075 0904  
  *Arjun was a summer intern in sales and trading*

**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 (virtual) visiting speakers from Wall Street for part of the class. Students are expected to attend those, even if they are with a firm and/or division with whom they are not currently expecting to recruit.

Course Delivery

This semester, Econ 256 will be delivered entirely online. During the first half of the semester, much of the lecture material will be provided asynchronously, via pre-recorded videos with active learning content and pop-up questions. Students are expected to have completed the assigned videos and answered all of the questions by the date and time specified on the syllabus for each week, as well as any other exercises listed in the syllabus for that week.

Class time will be a combination of short synchronous lectures and Q&A related to the asynchronous material. In some cases, the class time may be broken into smaller segments, with the opportunity to review different aspects of that week’s pre-watched material during pre-specified time windows. Students will have the option to attend these different segments at their choice.

Wednesday’s live classes will not always last for the full 2 ½ hours, especially in the first half of the semester. However, you are expected to keep that entire period available throughout the semester, so that you can always attend the entire class. Bear in mind that the in-class quiz on the final day will contain questions from all of the material (including class discussions) that is covered throughout the semester, unless otherwise specified (e.g. optional review segments).

All of Wednesday’s live classes will be recorded so that anyone who is not able to attend “live” can watch the recordings. However, please don’t use this as an excuse not to attend the live sessions as much as possible! You will get much more out of them, and will have the option to ask questions, if you watch them live. I will also be keeping track of who attends and participates in the live sessions. Routinely missing the live class may have a detrimental impact on your grade (unless you are currently in a time zone that makes it infeasible to join in real time).

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 (here is a link for free access for Duke students) and read it daily. A Wall Street Journal Reading Guide is available on the DFE website.

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.

Other

Students should all be registered on the DFE email list (go to http://econ.duke.edu/ dfe to sign up). From time to time, information relevant to the class will be distributed via the DFE email list. Don’t risk missing those - make sure you are on the DFE email list!
ASSIGNMENTS & GRADING

1. **Short Quizzes and Excel model completion exercises** embedded in the online pre-recorded content throughout the semester (15% of your grade) See Synopsis (below) for details.

2. **Online Self-Study Accounting program and Quiz: due Mon, Aug 24** (10% of your grade)
   The Accounting program and Quiz are under “Tests & Quizzes” on Sakai.

3. **Creating and submitting a one-page, up-to-date resume:** due Mon, Aug 31 (Not graded). Please make use of the materials in the “Resume Guidelines” subfolder on Sakai in the Resources tab. These will help you with layout and format.
   This assignment is not graded, but failure to complete on time and fully in line with the instructions provided may have a detrimental impact on your final grade.

4. **Maintaining a Daily Market Journal daily Monday Aug 24 thru Tuesday, Nov 10.** (15% of your grade).
   Each business day, you should enter the closing levels of all of the securities listed in the ECON 256 Market Journal spreadsheet in the Market Journal folder on the Resources tab on Sakai. You will submit the completed Journal spreadsheet into your dropbox on Sakai Tuesday, November 10 after the markets close and you have entered that day’s closing levels. Be sure to read the notes on the “read me” worksheet within the template spreadsheet.

5. **Competitions** (25% of your grade)
   For both competitions, students in Econ 256 are welcome to form teams of three with sophomores who are not in Econ 256, and in fact are encouraged to do so.
   (1) **The Wells Fargo Corporate Valuation competition due Oct 21 by 11:55pm** in teams of 3 students
      (a) **Essential Registration** for teams is from September 28 – October 2.
      (b) Guidelines released on October 3
      (c) Submissions due **Wednesday, October 21 at 11:55pm**
      (d) Top 10 teams will be invited to present to Wells Fargo, and will have one week to make light updates to their presentation following guidance from DFE faculty. **Presentation date TBD**
   (2) **The BlackRock Asset Allocation competition**
      (a) **Essential Registration** for teams is from TBD (early October)
      (b) **Visiting lecture by BlackRock** to introduce the competition (either Oct 7 or 14)
      (c) Guidelines released following Visiting Lecture
      (d) Submissions due **Friday October 30 at 11:55pm**
      (e) Top 8-10 teams will be invited to present to BlackRock, and will have one week to make light updates to their presentation following guidance from DFE faculty and BlackRock “coaches”. **date TBD**

6. **Bloomberg Market Concepts (BMC). Completion deadline: Monday, Nov 9.** (10% of your grade)
   BMC is an 8-hour, self-paced program with four modules. Detailed guidelines are provided on the Resources tab on Sakai. Don’t wait til November 9 to complete this!
   Anyone achieving >50% on this program will receive full credit. Anyone who has already completed BMC may submit their completion certificate (which must include their grade) no later than 5pm on August 21.

7. **Final Quiz** in the final class on November 11 (25% of your grade)
   Will contain a series of multiple choice questions relating to anything that we have discussed in class during the semester. 25% of your grade.
COURSE SYNOPSIS

Introduction

Week 1: Wednesday, Aug 19

- Introduction to the class
- Demonstrate Lessons and embedded questions (“playposit”)
- Wall Street Demystified
- How to construct a resume

By Monday Aug 24 at 11:55pm (Durham, NC time)

- Complete the Online Self-Study Accounting program in Tests & Quizzes on Sakai and submit the Final Quiz

Week 2: Wednesday, Aug 26

- Macroeconomic overview and introduction to interest rates
- Review Sakai Lessons ahead of upcoming assignments
- Review Resume Guidance in Sakai Resources

By Monday, Aug 31 at 11:55pm (Durham, NC time)

- Watch Discounting & Rates of Return video in Lessons (~20 mins) & respond to questions
- Watch the NPV video in Lessons (~ 10 mins) & respond to questions
- Following guidelines on Sakai Resources, submit resume draft as Word document to your Sakai Drop Box

Week 3: Wednesday, Sep 2

- Review Discounting & Rates of Return & NPV Lessons and answer questions
- Demonstrate NPV Excel video

By Monday, Sep 7 at 11:55pm Durham, NC time

- Watch the NPV with Excel video in Lessons (~45 mins), and follow along by completing the accompanying NPV Example Template Excel spreadsheet. Submit completed spreadsheet to your Sakai Drop Box

Week 4: Wednesday, Sep 9

- Review NPV Excel & Equity & Debt lessons and answer questions
- Discuss Net Present Value Sensitivities

By Monday, Sep 14 at 11:55pm Durham, NC time

- Watch the Equity & Debt video in lessons (~20 mins) and respond to questions
- Watch the Financial Statement Review video in lessons (~ 20 mins) and respond to questions
- Read “UBS talk the language of multiples.pdf” posted on Sakai
- Watch the Comps Parts 1 & 2 videos in lessons (~ 45 mins total) and respond to questions
Week 5: Wednesday, Sep 16

- Review the Financial Statement Review and Comps material

**By Monday, Sep 21 at 11:55pm Durham, NC time**

- Watch *DCF Model Intro* video in lessons (~7 mins)
- Watch *Unlevered FCF* Video in lessons (~25 mins), and follow along by completing the accompanying *FCF_template* Excel spreadsheet. Submit completed spreadsheet to your Sakai Drop Box.
- Watch the *CAPM* and *WACC* videos in lessons (~15 mins and ~10 mins respectively) and respond to questions

Week 6: Wednesday, Sep 23

- Review DCF Model Intro, Unlevered Free Cash Flow, CAPM and WACC lessons
- Visitng Lecture: Joe Zirpolo, Training Director at Houlihan Lokey on WACC, DCF modeling

**By Monday, Sep 28 at 11:55pm Durham, NC time**

- Watch the *Terminal Value* video in lessons (~15 mins) and respond to questions
- Watch the *DCF Model Interim Steps* in lessons (*time TBD*) and respond to questions
- Watch the *DCF Model Present Value calculations* in lessons (*time TBD*) and respond to questions
- Start registering for the Wells Fargo Corporate Valuation competition in teams of three (deadline for registration: Friday Oct 2, 5pm; guidelines released Oct 3). Team members may include sophomores who are not enrolled in Econ 256.

Week 7: Wednesday, Sep 30

- Complete the DCF spreadsheet model in class
- Review *Precedent Transactions* in class

**By Monday, Oct 5 at 11:55pm Durham, NC time**

- Complete the *DCF Complete* video in lessons and submit the accompanying spreadsheet to your Sakai Drop Box

Weeks 8 – 13:

**BlackRock presentation** either October 7 or 14

**Financial Markets** (these and related topics as time allows)

- Market participants
- Monetary & Fiscal policy
- Market language and the Trading Floor
  - Equities
  - Fixed Income
  - Foreign Exchange
• Commodities
• Technology and Regulation
• Asset Allocation
• Portfolio Risk Management
• Stock Pitch

Assignments due Weeks 8 - 13

• The Wells Fargo Corporate Valuation competition *due Wednesday Oct 21 by 11:55pm*
• The BlackRock Asset Allocation competition *due Friday Oct 30 by 11:55pm*
• Bloomberg Market Concepts (BMC). *Completion deadline: Monday, Nov 9, 11:55pm*
• Daily Market Journal submission: close of business *Tuesday, Nov 10, 11:55pm*
• Quiz in the final class on *November 11*