

*Columbia University
Graduate School of Business*

**Advanced Investment
Research**

Tuesday, 6:30 p.m. -9:30pm

BIDDING Course Description and Outline:

Location: Uris 328

Professor:

Kian Ghazi

Email: kg2531@columbia.edu

There are no official office hours. However, Professor is easily accessible via email between class sessions.

Course Overview:

This will be a demanding class meant for the student intent on entering the investment management industry post-graduation. As such, only students who demonstrate a compelling interest in professional investment management will be admitted, and admission will be limited to 10 students to ensure quality of experience for all involved. This seminar is not open to the bidding process and no auditors will be allowed.

The purpose of this section of Advanced Investment Research is to help students learn how to "rip apart" a company and draw thoughtful conclusions about whether it might make for a good investment opportunity. Topics will include stock selection, identifying the key investment factors, developing a variant view, and networking with industry contacts to help confirm or refute one's thesis. The class will culminate with students delivering a detailed research recommendation on a single investment idea to a panel of judges. The goal is for students to leave class with an actionable investment idea and a framework for how to develop and research ideas in the future.

This class will be demanding and potentially overwhelming if you are not prepared to dedicate significant time and energy to it. Students should expect 20-25 hours of work per week outside of class, and the work load may be higher if you have not previously done detailed fundamental investment research. We recommend that you do not take this class if you are unable to put in this amount of time because you will not be able to keep up, and you will not be happy with your final grade. Note: this class will also include a substantial pre-class assignment which will be a material part of the final grade.

Class Structure:

Investment management is not a subject that is optimally learned via lecture and passive response. Advanced Investment Research has been designed with this reality in mind. Class discussion will be driven by the work that you and your classmates do on weekly assignments. As such, we view 20-25 hours as the minimum weekly commitment to meet the course goals, and we recognize depending on your background that more may be required. The assignments will require significant research effort plus creativity and business judgment. We also hope they will be enjoyable and productive.

The first half of this course will build a framework to combine publicly available information and sound business judgment to decide whether a particular security is worth extensive research. Students will use an analytical tool called a “Combat Pack” to evaluate an assigned company each week. The goal at this stage is to identify the drivers of the business, why a potential mispricing may exist, and the critical research necessary to prove out the investment thesis.

In the second half of the course, students will select one company (from a provided list) on which they will conduct deep research, culminating in an investment recommendation and stock pitch to a panel of industry veterans who will act as PMs/judges.

Agenda:

- Class 1 – Course Overview & Syllabus
- Class 2 – Barriers to Entry and Business Quality
- Class 3 – Valuation Framework
- Class 4 – Stock Selection
- Class 5 – How to Interview Management
- Class 6 – Guest Lecture: CFO
- Class 7 – Guest Lecture: PM
- Class 8 – Value Added Research (VAR)
- Class 9 – Thoughtful Analytical Work as the Basis for a Variant View
- Class 10 – Initial Research Project Learnings / Presentations
- Class 11 – Investment Mistakes Case Study
- Class 12 – Final Presentations

Class Assignment Descriptions

Type	Designation	Discussion of concepts	Preparation of submission	Grade
A	group/group	Permitted with designated group*	By the group	Same grade for each member of group
B	group/individual	Permitted with designated group*	Individually (No sharing of any portion of the submission)	Individual
C	individual/individual	None of any kind	Individually	Individual
D	(An optional additional category to be defined in detail by the individual faculty member).			

**All assignments will be type B (group/individual)*

Pre-Class Assignment:

- Read The Curse of the Mogul, Chapters 1-5. Write a 1-2 page response summarizing your thoughts on business quality and competitive advantage.
- Complete your first Combat Pack.

Pre-class assignments are due by midnight on **Sunday, September 3**. All assignments should be submitted electronically to the relevant folder in Canvas. Late assignments will not be accepted. The pre-class assignment will be posted to canvas.

Feedback will be given via in-class interaction. Class sessions will discuss the assignments in detail, including references to specific portions of your individual submissions.

Weekly Assignments:

The most time intensive assignments are the combat packs, and students will prepare one per week for the first half of the semester. Additional assignments for submission will be given on a weekly basis. All assignments must be submitted by **Monday at noon**, to allow the Professor time to review work before class.

By Tuesday at noon, we will distribute 1-3 combat packs completed by your classmates. 1 or more of these combat packs may be on a company that was not assigned to you. Please read these

combat packs thoroughly before class, as you will be responsible for the content. We expect lively discussion, and your familiarity with all companies discussed will enhance the class for you and for your classmates. You are not required to do additional work on companies not assigned to you, outside of reading and understanding the distributed combat packs. It may take 45 minutes or longer to digest each combat pack, so plan your schedule accordingly.

Course Materials:

The Curse of the Mogul, Bruce Greenwald.

SEC filings, conference call transcripts and other reading for your assigned companies.

Grades:

Grades will reflect knowledge and application of the course material and communication skills. This course is intended to be interactive and class participation will be crucial to the success of this class.

Grades will be calculated as follows:

- 40% Weekly Assignments (Individual)
- 20% Class Participation
- 40% Final Project (Individual)