Course Description:

Columbia Business School is the academic home of Benjamin Graham and the birthplace of security analysis and value investing. Graham, with the help of David Dodd, taught Value Investing at Columbia from 1928 to 1956. They published their seminal work, Security Analysis in 1934 and Graham published The Intelligent Investor in 1949. Roger Murray taught the class until 1977. After a gap of 15 years, Value Investing returned in the early 1990’s under Bruce Greenwald’s guidance and has been offered ever since. Notable graduates of the program include Warren Buffett, Mario Gabelli, Glenn Greenberg, Leon Cooperman, Chuck Royce, William von Mueffling and Todd Combs.

This survey course is designed to introduce the fundamentals of the Graham and Dodd value approach to investment management. The course will be segmented into two parts. In the first four days, the course will describe the basic structure of the analytical approach to value investing and its relationship to many of the elements of the MBA curriculum. The final day will be devoted to student presentations.

Class Structure will consist of:

Lectures and class discussion
Financial modeling
Group presentations (final day)

The lectures will cover:

- Introduction and course history
- Capital market theory
- Intrinsic value vs expectation theory
- Competitive advantage and capital allocation
- Security analysis and research techniques
- Valuation and risk
- Search/portfolio construction/risk management
- Decision making under uncertainty
Required reading:

*Most Important Thing*, Howard Marks  
*Value Investing*, Bruce Greenwald  
Articles on Canvas

Course Requirements:

The bulk of the work in this class will be performed in groups, although there will be several individual assignments.

Every student will participate in analyzing an investment opportunity as part of a group. Each group will prepare a written report of their analysis and will present an investment recommendation, based on this analysis, to the class at the end of the term. The guidelines for the final case will be presented in class.

Students are expected to participate in daily class discussions.

Grades:

Grades will be determined by how well your group does on the final presentation, the write-up of the investment analysis, individual assignments and class participation. In addition, group members WILL grade each other on their contribution to the final project.

Cases will be graded on the strength of their investment analysis and the persuasiveness of the presentation.

Class participation will be graded on an individual basis. Students are encouraged to challenge, disagree and pose alternative views. Points will be given for quality over quantity.