

COMM 3720: Markets Bootcamp
(aka: Intermediate Corporate Finance)

Prof. Robert Parham

Spring 2026

Details

Instructor: Robert Parham

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Web: kn.owled.ge/teaching

Zoom: kn.owled.ge/meet

Scheduling: kn.owled.ge/sched

Office hours: Tuesday 12:30-13:30 (by scheduling @ RRH 380)
Thursday 17:00-18:00 (open discussion @ RRH 118)

Office: RRH 380

Classroom: RRH 118

Class times: Tue & Thu, 11:00-12:15; 12:30-13:45; 15:30-16:45

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Course objective

A rigorous introduction to the full field of finance, with an eye for valuation. **You will understand the “Why” and the “How” of finance**; build a toolkit to assist you in analyzing financial situations and decisions; learn how to value risky assets using modern portfolio theory; understand which decisions are faced by corporate financial managers and how to make those decisions; and attain some understanding of advanced subjects including options, IPOs, M&As, and crypto-assets. A unifying theme of the course is **how the no-arbitrage condition gives rise to the law of one price** and can be used to value most financial assets.

A core objective of the course is to build your understanding of modern finance **from first principles**. As such, the course **does not assume any prior knowledge of finance**. Both the basics of accounting and fundamental statistics are however important prerequisites. **Especially statistics**. The course will require several hours of studying at home every week.

Course material

Textbook: **Corporate Finance, by Jonathan Berk and Peter DeMarzo.** We are following the book closely, and **required readings are assigned from the book nearly every class.** We use the fifth edition, but previous editions (3rd and up) and international/core versions will also do, in a pinch.

Readings & Media: You are required to read several scientific and news articles, watch a variety of online videos, and read several books during the semester. The articles and video links are **available on Canvas.** The first book, due by the midterm, is **The Ascent of Money, by Niall Ferguson (2008),** and the second book, due by the final, is **The Little Book of Common Sense Investing, by John Bogle (2007).** An extra credit is available for reading **Atlas Shrugged, by Ayn Rand (1957).**

Inclusive Access: This course will take part in the Inclusive Access program with The UVA Bookstore. This service provides immediate access to your digital course materials (i.e., the Berk DeMarzo e-book) through Canvas. Log in to your Canvas course site and click on the UVA Digital Tab. Follow the instructions to access the digital materials. **If you do not actively opt-out by the second week of class, your student account will be charged for the book (\$47.05 for perpetual access).** If you decide you do not want to purchase the e-book, you can opt-out of the program by clicking "OPT-OUT." If you have any questions regarding the program, please email UVAInclusiveAccess@virginia.edu

Course schedule

Course schedule is given below. Readings are required **before** each class session.

#	Day	Date	Topic	Before class
1	Tue	1/13/2026	Intro	Read "I, Pencil"; Watch Yuval Noah-Harrari; Watch "The wonder of prices"
2	Thu	1/15/2026	Time	Watch Econ Principles; Watch "Money & Debt"; Read BDM Ch. 3,4,5
3	Tue	1/20/2026	Bonds	Read BDM Ch. 6, 7
4	Thu	1/22/2026	Firms	Review ALB's 10-K; Read BDM Ch. 8, 9
5	Tue	1/27/2026	Models 1	Read Dunn, Gilbert, Wilson (2011)
6	Thu	1/29/2026	Models 2	
7	Tue	2/3/2026	Risk 1	Read BDM Ch. 10
8	Thu	2/5/2026	Risk 2	Read BDM Ch. 11
9	Tue	2/10/2026	CAPM	Read Markowitz (1952)
10	Thu	2/12/2026	Beta	Read BDM Ch. 12
11	Tue	2/17/2026	Cost of Capital	
12	Thu	2/19/2026	Efficiency	Read BDM Ch. 13; Read "Don't read the comments"
13	Tue	2/24/2026	Buffer/Review	
	Thu	2/26/2026	NO CLASS – Midterm	Finish reading "Ascent of Money"
			Spring Break	
14	Tue	3/10/2026	Philosophy	
15	Thu	3/12/2026	The firm	Watch "Life-cycle"; Read "Purpose" and "Anti-ESG"; Read BDM Ch. 1,2
16	Tue	3/17/2026	Capital structure	Read Modigliani-Miller (1958); Read BDM Ch. 14
17	Thu	3/19/2026	Taxes	Read BDM Ch. 15
18	Tue	3/24/2026	Bankruptcy	Read "Hertz stock"
19	Thu	3/26/2026	Agency	Read BDM Ch. 16
20	Tue	3/31/2026	Information	Read Akerlof (1970); Read "Proof of life"
	Thu	4/2/2026	NO CLASS	
21	Tue	4/7/2026	Payout	Read BDM Ch. 17
22	Thu	4/9/2026	Levered valuation	Read BDM Ch. 18
23	Tue	4/14/2026	Equity (IPO & M&A)	Read "Affirmation" and "Lockups"; Read BDM Ch. 23,28
24	Thu	4/16/2026	Corporate Control	
25	Tue	4/21/2026	Options	Read BDM Ch. 20,21
26	Thu	4/23/2026	Crypto	Read Nakamoto (2008); Read "NFTs" and "Tether"; Watch 3B1B
27	Tue	4/28/2026	Heresy	Read "What you can't say", "Conformism", "Heresy"
			Final	Finish reading "Common Sense Investing"

Assignments

The 10 assignments are listed below. Assignments will be released at 9 AM on the release date and are **due by 5:55 PM on the due date**. All assignments are given and submitted via Canvas. Most assignments require you to **provide only final answers**. There is no partial credit for wrong answers. Assignment solutions will become available on Canvas at the due date & time.

#	Topic	Released@9AM	Due@5:55PM
1	Statistics	1/13/2026	1/23/2026
2	Time + Bonds	1/20/2026	1/30/2026
3	Firms + Models	1/29/2026	2/6/2026
4	Risk	2/5/2026	2/13/2026
5	CAPM + Cost of Capital	2/12/2026	2/20/2026
6	Efficiency + Purpose	3/12/2026	3/20/2026
7	Capital Structure	3/19/2026	3/27/2026
8	Frictions + Payout	4/7/2026	4/17/2026
9	Equity + Options	4/21/2026	4/28/2026
10	Valuation Project	4/9/2026	5/5/2026

You are **allowed, and expected**, to use any available material to complete the assignments. This **includes generative A.I., which is an awesome tutor**. Note that mindlessly solving assignments using A.I. will likely lead to a **significantly lower grade** (because you'll do poorly on the exams), compared to knowing how to solve the assignments yourself – exam questions are very similar to assignments.

Exams

There will be two exams. The midterm will be on 2/26/2026 from 5-7pm @ RRH120, and the final on finals week. Each exam will be 2 hours. The midterm will cover the material in classes 1-13, and the final is cumulative and will cover the material in classes 1-25. You are allowed to use one double-sided A4 equations sheet on each exam.

Quizzes

There will be several quizzes each class. You will respond to the quizzes using Poll Everywhere. You must verify that you are **registered to PollEv with your @virginia.edu** address (and **not** the @comm.virginia.edu address). Failing to do so will not allow me to receive your answers.

Class participation

Class participation is expected and encouraged. You will be evaluated on the level of participation, attentiveness, and quality of your contributions to class discussion. **Low-quality contribution will be awarded a higher evaluation** than no contribution. You are expected to be responsible, respect each other and each other's time, and show an adequate and professional demeanor. The use of electronic devices during class, unless merited by class, is disrespectful.

Study groups

You will form study groups of 4 students. The four students can be from any of the same class sections (i.e., sections 4,5,6). Assignment 10 (valuation project) will be submitted as a group. You are **allowed and encouraged to consult your study group** (but only them) when solving assignments 1-9. Nevertheless, each student will submit their own answers for assignments 1-9. A representative of each group **will email the TAs a list of group members before the first assignment is due.** Strong feedback arising from previous years' students is: **choose your group members wisely.**

Grading

This class is fully curved. The grades for each assignment, the midterm, the final, and the quizzes will all be curved to a mean of 80 and s.d. of 10, before any bonuses are added on top. Each home assignment (1-9) comprises 2% of the grade (18% total); the final project comprises 7% of the grade; each quiz comprises 0.2% of the grade (15% total); the midterm and final comprise 25% of the grade each; and my subjective participation assessment will make up the remaining 10% of the grade. You will receive half the points for every in-class quiz for submitting **any** answer, and the other half for submitting the **correct** answer.

That said, the GPA in this class has been higher than the global McIntire GPA in each previous year I taught this class, and I intend it to remain that way. **Don't panic.**



Academic Integrity

Because this class is fully curved, by definition, a student that unfairly gained an advantage and got a grade increase from, say B+ to A-, has done so by pushing another student in class from A- to B+. This is also true in every other class, as professors generally have target GPAs for their classes. Climbing by stepping on one's friends and classmates is despicable behavior, but cheating is seldom presented in this light. No, it's not "me against the system", it's not a "victimless crime". The victims are the cheater's friends and classmates, not the professors or the "establishment".

Any student suspected of cheating will automatically receive a "C" or "D" grade for this class, depending on severity and credibility. The only way to change that grade is to request the matter be transferred to the Honor Committee and be fully exonerated. Finally, any student reporting a **credible and verifiable** Honor violation will receive 5 class participation credits.