

Finance

22FIN401

Corporate Finance

In this course students will develop the analytical tools necessary for analyzing corporate financing decisions. Central to these decisions is the firm's cost of capital. You will learn how to compute the cost of capital and how to apply it to numerous questions like what is the value of the firm, should the firm raise capital, what is the optimal mix of debt and equity, what should the firm's payout (dividend) policy be, and should the firm lease or buy its assets? Financial modeling (in EXCEL) will be a major emphasis in the course. Prereq: 22FIN380. BoK: NA. Credit Level: U. Credit Hrs: 4.00

22FIN402

Raising Capital

This course covers financial markets, instruments and institutions with the primary focus being on the capital raising and financing activities of firms at different stages in their life cycles. One of the critical activities a company must do well to succeed is the raising of capital. The when, where and how of raising capital is the focus of the course. The perspective will typically be that of a firm wishing to raise capital, though we will also examine financing transactions from the viewpoint of the participating financial intermediary. We analyze financing choices for younger firms, for which there exists little or no security price information and then examine capital raising issues relevant to larger, listed firms. Topics to be covered in this course include the role of financial intermediaries - such as commercial and investment banks - in the capital raising process, the decision to go public, mechanism and pricing of initial public offerings, role of investment banks in IPOs, hightech firm financing, venture capital, bank debt, private placements, public debt markets, commercial paper and junk bond markets. Prereq: 22FIN401. BoK: NA. Credit Level: U. Credit Hrs: 2.00

22FIN403

Mergers and Acquisitions

This course uses an analytical framework and real- world applications to introduce the key principles and techniques of successful mergers, acquisitions, divestitures and leverage buyouts. It addresses crucial questions including: Why do mergers that looked great on paper fail in reality? How does one value companies acquiring or being acquired? What is the best negotiation strategy? What does it take to make the "synergy" come to life? How can a merger be funded in such a way as to retain the merged entity's flexibility? When do leveraged buy-outs make sense and how can they be financed? One goal for students is to develop a critical appreciation of key finance criteria in a proposed acquisition, so as to grasp the main strengths and risks of the company's strategic and financial alternatives. Prereq: 22FIN401, 22FIN431. BoK: NA. Credit Level: U. Credit Hrs: 2.00

22FIN411

Investments

This course provides a detailed overview of investment management. The goal of the course is to provide students an understanding of the key differences in the various investment vehicles as well as a set of general techniques for characterizing and valuing the risks inherent in these various instruments. The course will consider the analysis of both equity and debt instruments, leaving the price of derivative securities (such as options, futures and securitized instruments to FIN 421 (Derivative Securities and Markets). In addition to providing a theoretical treatment of valuation techniques, FIN 411 also provides the practical skills of financial modeling using spreadsheets, enabling the student to conduct applied analysis useful in their future professional careers. The course will also examine the value of active investment management given empirical evidence on the efficiency of various markets and develop methods for evaluating the performance of investment managers. The course will also discuss tax implications and strategies. Prereq: 22FIN380. BoK: NA. Credit Level: U. Credit Hrs: 4.00

22FIN413

Portfolio Management

This overview of portfolio management presents several views and approaches to investment decision making in today's markets. Portfolio management is the professional management of various securities to meet specified investment goals for the benefit of investors. To accomplish these objectives, we need to learn about pricing models, active and passive management, investment styles and market efficiency. Prereq: 22FIN401, 22FIN411, 22FIN421. BoK: NA. Credit Level: U. Credit Hrs: 4.00

22FIN421

Derivatives Markets and Securities

The principal objective of this course is to provide a detailed examination of option, futures, forwards and swaps. By the end of the course students will have a good knowledge of how these contracts work, how they are traded, how they are used, and how they are priced. A major emphasis in the class will be on learning how to use the binomial model to think systematically about derivative instruments. Prereq: 22FIN380. BoK: NA. Credit Level: U. Credit Hrs: 4.00

22FIN431

Financial Information and Valuation

The course is about the analysis of financial information particularly firms' financial statements for making decisions to invest in businesses. The primary focus is on equity (share) valuation with some attention given to credit analysis and the valuation of debt. The methods of fundamental analysis will be examined in detail & applied in cases and projects involving listed companies. Topics include models of shareholder value, a comparison of accrual accounting and discounted cash flow approaches to valuation, the analysis of profitability, growth

and valuation generation in a firm, diagnosing accounting quality, forecasting earnings and cash flow, proforma analysis for strategy and planning, and the determination of price/earnings (P/E) and market-to-book (P/B) ratios. Prereq: 22ACCT281, 22FIN380. BoK: NA. Credit Level: U. Credit Hrs: 4.00

22FIN453

Financial Institutions

This course provides a survey of financial institutions. The goal of the course is to characterize the different functions, services and regulatory environments of the various institutions in the financial services industry. The primary focus is on understanding the range of services offered and the typical challenges financial services firms face and how they create value. Prereq: 22FIN401. BoK: NA. Credit Level: U. Credit Hrs: 4.00