

University of International Business & Economics

The Beijing Center

Financial Management

Syllabus

Fall, 2010

Instructor: Professor Ming Men

Office info: to be decided

Office hour: by appointment

Telephone: to be decided

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Textbooks:

Corporate Financial Management, Douglas R Emery, John D. Finnerty and John D. Stowe, Third Edition, Pearson Prentice Hall

Other readings:

Salih N.Neftci; Michelle Yuan; Menager-Xu: <China's Financial Markets: An Insider's Guide To How The Markets Work>, Asia-Pacific Economic Literature, The Australian National University, Canberra, Blackwell Publishing, 2007.

Additional reading materials will be distributed during the process of the course.

Course objectives:

The goal of this course is to give students a deeper understanding of the issues managers must consider when making financial decisions. The course discusses cost of capital, the theory of capital budgeting, derivatives application, agency theory and the capital structure, how financial assets of the firms are managed, as well as issues involving long-term financing and special topics on corporate finance.

This course should help prepare students for careers in commercial and investment banking, corporate financial management, as well as more general business careers that have a substantial finance component.

Course outline:

In this course, we will cover the following chapters of *Corporate Financial Management*:

Ch.3: The Time Value of Money

Ch.7: Cost of Capital

Ch.8: Business Investment Rules

- Ch.9: Capital Budgeting Cash Flows
- Ch.10: Capital Budgeting in Practice
- Ch.11: Options
- Ch.12: Derivatives Applications
- Ch.13: Agency Theory
- Ch.14: Capital Market Efficiency
- Ch.16: Managing Capital Structure

In addition, a number of cases related to multinational firms operation in Chinese market will be discussed along the way of the course progress.

Assessment:

Class assessment:	10%		
Problem sets:	20%		
Mid-term examination	20%		
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		Final examination	50%
			100%

Attendance policy:

Due to the nature of a typical finance course, regular attendance is strongly recommended. Unreported absence will be counted in the final evaluation.

Course procedures:

This course is designed to be both time-consuming and challenging. It will follow a combination of traditional lectures and cases. During the lectures, I like to encourage student participation and thus will at times actively call on students. My intention is not to test you, but rather to keep everyone actively engaged in the learning process.