

# Fu Jen Catholic University

## FIN 300 Financial Management

### Summer 2019

**Class hours:** Monday through Thursday, 2 hours each day

**Review and Discussion:** Friday, 2 hours

**Office hours:** Friday/Saturday, 1 hour or by appointment

**Field trip:** According to Professors' teaching plan

**Credit:** 3

**Total contact hours:** 54 hours

**Instructor:** Chairat Chuwongnanant

#### Course Description

This course is focused on providing students with fundamental knowledge in finance and financial management. For finance major, this will serve as the introduction to the principles of finance and the foundation for higher levels of financial management, corporate finance, investment, risk management, financial engineering, etc. For non-finance majors, this course is the essential introduction to financial economics and the business core for related areas, such as actuarial science, industrial management, engineering management, marketing, operations and supply chain management, etc. The material covered will provide a basic understanding about business forms, tools for financial analysis, the types of decisions that financial managers make, how to implement some common pricing frameworks to value financial assets, projects, firms, and how to make sound financial decisions based on the risk-return tradeoff.

The topics include business forms, financial institutions and markets, accounting basics, time value of money, bonds, stocks, net present value and investment criteria, risk and return, WACC, introduction to corporate financing, etc.

#### Required Textbook

Brealey, Myers and Marcus, *Fundamentals of Corporate Finance*, 8<sup>th</sup> Edition, McGraw-Hill Education, 2017. ISBN-13: 978-1259722615



## Other Resources

Similar textbooks may be used as complementary materials contingent upon consultation with the instructor. Electronic version of lecture notes will also be made available on our educational website for registered students. E-book version and earlier editions of the textbook may be used as well (must be the 3<sup>rd</sup> or later edition).

Suggested Additional Online Readings: *The Wall Street Journal* ; *Yahoo Finance*

## Course Outcomes

Successful completion of the course will allow students to

1. understand the theories behind sound financial decisions;
2. correctly value some common financial assets, such as bonds and stocks;
3. understand the critical relationship between risk and return;
4. analyze the health of a firm's financial situation;
5. make basic personal retirement plan in terms of investment arrangement;
6. understand the dynamics of various stakeholders in a business and their cash flow rights;
7. be able to understand some real-world issues and apply the financial management knowledge to help gain insight and make correct decisions, such as understanding the opportunity cost of capital, etc.

## Calculator

A financial calculator is highly recommended, otherwise a scientific calculator is needed for implementing the formulas.

## Course Grading

Attendance	10%
Quizzes	15%
Homework	15%
Midterm exam	30%
Final exam	30%
<b>Total</b>	<b>100%</b>



## Course Schedule

Week	Day	Topic
1	1	Goals and governance, business forms, roles of CFO, agency problems, ethics, finance career, finance history
	2	Financial markets and institutions, functions and intermediaries, risk transfer and diversification, liquidity payment mechanism, financial crises of 2008
	3	Accounting basics, taxes, cash flows
	4	Ratio analysis
	5	Weekly review and discussion, problem solving
2	1	Ratio analysis and case study
	2	Measuring performance, value added, rate of return, leverage
	3	Time value of money, introduction
	4	Time value of money, applications, special patterns of cash flows
	5	Weekly review and discussion, problem solving
3	1	Retirement plan, effective annual return
	2	Bond, yield, nominal and real rate
	3	Bond wrap-up, special bond types
	4	<b>Midterm Exam (in class)</b>
	5	Discussion and review
4	1	Stocks, concepts and valuation
	2	Stocks markets, behavioral finance
	3	NPV and capital budgeting decisions
	4	Risk and return, quantitative measure
	5	Weekly review and discussion, problem solving
5	1	CAPM, beta, portfolio theory, opportunity cost of capital
	2	WACC, project analysis
	3	Discussion and review
	4	Discussion and review
	5	<b>Final Exam (in class)</b>

- The course schedule is tentative and may be subject to (minor) changes. Please follow the announcements in class.

### Attendance & Classroom Contribution

Attendance is required and essential for the success of your learning. For justified reasons, your absence may be excused. However, you need to present evidence to substantiate your claim and it is the instructor's decision whether your excuse is appropriate or not. You are expected to actively participate in classroom dynamics, including asking questions, participating in discussions, responding to instructor's questions if you can, etc.



## Classroom Disciplines

- Using cell phones in classroom is prohibited unless approved by the instructor.
- Eating snacks during the lecture should be avoided. Drinking water is allowed.
- Avoid making loud noise; do not chat on topics that are not related to the on-going lecture.

## Exams

Every registered student must take the two exams on the designated dates in class. No makeup will be offered if an exam is missed. Exceptions may be considered only for special cases and contingent upon the instructor's and university authority's approval.

## Grading Standards

Grade	Percent	GPA
80 to 100	A	4
70 to 79	B	3
60 to 69	C	2
50 to 59	D	1
49 and below	E	0

## Academic Integrity

Cheating and plagiarism in any form or fashion are absolutely not tolerated throughout this course. We will uphold academic integrity is unconditionally. Homework assignments, quizzes and exams must be completed independently. However, active discussion and team spirit are encouraged in appropriate context. Anyone who violates these rules will receive appropriate punishment up to failing the course.