

Corporate Finance and Financial Markets

FIN-UY 2203, Spring 2023

Tandon School of Engineering

NEW YORK UNIVERSITY

Unurjargal Nyambuu

Department of Finance and Risk Engineering

Class time: Tuesday 2:00-4:30pm

Location: Rogers Hall Bldg, Room 317

Instructor's Email: unra.nyambuu@nyu.edu

Office hours: by appointment

Course Assistant (CA): Priyanka Vaswani email: phv2909@nyu.edu

Course Description: This course covers the fundamentals of corporate finance, valuation, risk, capital budgeting and market efficiency. Students who complete this class acquire a solid foundation needed for intermediate and advanced topics in finance. This class is a prerequisite for all FIN classes at the 3000 level.

Prerequisites: MA-UY 2054 or MA-UY 2212 (or MA-UY 2224) or MA-UY 3014 or MA-UY 3514, 8 credits of calculus, and Sophomore Standing or higher.

Required Textbook: Eugene F. Brigham and Joel F. Houston, Fundamentals of Financial Management, 15th Edition. Cengage Publisher.

Readings: Detailed lecture notes will be posted on NYU Brightspace. Additional readings will be assigned. Students are encouraged to read financial articles in the popular business press including Financial Times, The Wall Street Journal, and The New York Times Business section, and work with data from online sources.

Software: MS Excel

Calculator: Students are expected to become proficient in the use of financial calculators. Recommended calculators are HP 17bii+, HP 17bii, HP 19bii, or Texas Instruments BA II Plus Financial Calculator, BAI Professional Financial Calculator.

Assignment: Homework must be submitted on scheduled time using NYU Brightspace. The Course Assistant will grade all the problem sets. Announcements will be made on NYU Brightspace and emails will be sent regarding the instructions and topics of the homework problems (you must make sure to check your email). You must submit your homework before the scheduled time. Late homework will not be accepted unless there are special extenuating circumstances (late homework will get partial credit). The Course Assistant will be in charge of questions on grading of the assignments and explanations.

Research Presentation: Students will work individually on a specific topic/ issue, present and share their research with the class. Students will demonstrate knowledge of chosen topic related to the class and present recent development, trends, importance, and challenges. For example, it

can cover a certain market or company analysis. Students must choose the topic and schedule it in advance. The relevance of particular tools and ideas will be infused throughout the semester. Students will do the presentations throughout the semester. Details will be discussed and directions will be provided. Students should post their presentation topic in advance on NYU Brightspace (Discussions), and upload Power Point file there before or after the presentation. Students should choose a specific issue to avoid repeating other students' topics. I will announce and post reminders. It is worth 20% of your final grade.

Exams: There will be two quizzes, midterm exam, and final exam. Each student is expected to work individually. Any student found to be cheating or helping others to cheat will receive a failing grade and will be reported. Course Assistant is available for tutoring during his/her office hours and he/she will grade all the tests. I will announce the details on the tests in advance.

Grades will be curved based on the statistical distribution of grades in the class.

Grade breakdown:

Two quizzes:	20%	Homework:	10%
Midterm Exam:	20%	Research Presentation:	20%
Final Exam:	30%		
Total	100%		

Outline:

Topics
Chapter 1 – Introduction to Corporate Finance; and Overview of the Course
Chapter 2 – Financial Markets and Institutions
Chapters 5 – Time Value of Money; Present Values and Future Value; Compounding; Amortized Loans
Exam (quiz)* #1
Chapters 6 – Interest Rates; Cost of Money; Term Structure, Yield Curve
Chapter 7 – Bonds and Their Valuation, Bond Yields, Bond’s Riskiness
Midterm Exam*
Chapter 8 – Risk and Rates of Return; Portfolio Analysis; Risk Premium, Security Market Line (SML), Capital Asset Pricing Model (CAPM)
Chapters 9 – Stocks and Their Valuation

Exam (quiz)* #2
Chapter 3 – Financial Statements, Balance Sheet, Cash Flow, and Taxes
Chapter 4 – Analysis of Financial Statements; Financial Ratios, DuPont Equation
Chapter 18 – Derivatives and Risk Management
Chapter 19 – Multinational Financial Management, International Corporate Finance, Exchange Rate Risks, Measuring Country Risk
Final Exam

* Chapters tested in the exams as well as problem sets are subject to modification.

** Student presentations will be scheduled in advance.

Note:

1. Unless there are special extenuating circumstances, make-up exams will not be given. Extenuating circumstances, such as an extended illness requiring hospitalization or visit to a physician (with documentation); a family emergency; observance of a religious holiday.
2. There will be NO extra credit/makeup work; No incompletes.
3. Questions for the class activity will be assigned in advance. You should frequently check emails. **Email subjects** should always include "FIN 2203".
4. This syllabus is subject to change. Please check the course announcements frequently.
5. If you are student with a disability who is requesting accommodations, please contact New York University's Moses Center for Students with Disabilities (CSD) at 212-998-4980, or email mosescsd@nyu.edu. You must be registered with CSD to receive accommodations. Information about the Moses Center can be found at www.nyu.edu/csd.

The NYU Tandon School values an inclusive and equitable environment for all our students. I hope to foster a sense of community in this class and consider it a place where individuals of all backgrounds, beliefs, ethnicities, national origins, gender identities, sexual orientations, religious and political affiliations, and abilities will be treated with respect. It is my intent that all students' learning needs be addressed both in and out of class, and that the diversity that students bring to this class be viewed as a resource, strength and benefit. If this standard is not being upheld, please feel free to speak with me.

Institute Policy on Academic Dishonesty: Introduction¹

The Tandon School of Engineering encourages academic excellence in an environment that promotes honesty, integrity, and fairness, and students at the Tandon School of Engineering are expected to exhibit those qualities in their academic work. It is through the process of submitting their own work and receiving honest feedback on that work that students may progress academically. Any act of academic dishonesty is seen as an attack upon the School and will not be tolerated. Furthermore, those who breach the School's rules on academic integrity will be sanctioned under this Policy. Students are responsible for familiarizing themselves with the School's Policy on Academic Misconduct.

¹ As it appears in the Academics Code of Conduct. <https://engineering.nyu.edu/campus-and-community/student-life/office-student-affairs/policies/student-code-conduct>