

**FIN2704/FIN2704X – Finance
(FIN2004/FIN2004X)
AY2020/2021 Semester 2**

Class Meetings: Tuesdays 10:00 – noon or 14:00 – 16:00

INSTRUCTOR:

Dr. Deserina Sulaeman

Email: deserina@nus.edu.sg

COURSE TUTORS:

You must also register for one of the module's many tutorial sections. Depending on your tutorial section, you will be assigned one of a few potential tutors – details to be announced later.

You will need to attend your registered tutorial section (and only your officially registered tutorial section).

MODULE DESCRIPTION

This module provides students with the foundations to understand the key concepts and tools used in Finance. It offers a broad overview of the financial environment under which firms operate and equips students with the conceptual and analytical skills necessary to make sound financial decisions for the firm. Throughout the course, specific examples will be considered as some of the basic ethical issues involved in various financial decision-making contexts.

The module employs pre-recorded videos (posted ahead of the scheduled lecture in which the materials will be discussed), virtual lectures (conducted live on Zoom), and small group tutorials to convey the material.

Each student is expected to contribute regularly to discussions in their assigned tutorial sessions.

The material for this module needs to be absorbed consistently. Students are expected to attend the lectures and tutorial sessions prepared to discuss the materials. Therefore, students are expected to view the pre-recorded videos **before** we cover the material in the lectures and tutorial sessions. Students should also find it helpful to read the assigned readings and attempt the tutorial questions **before** their corresponding lecture and tutorial sessions.

LEARNING OUTCOMES

The objective of this course is to provide the foundations needed to understand important key concepts and tools used in finance. By the end of the semesters, students enrolled in this module should gain basic understanding of the following topics: financial management, time value of money, risk and return, capital budgeting, and financial planning. Students will also be introduced to bonds, common stock, and options.

PREREQUISITE

ACC1702/ACC1702X Accounting for Decision Makers. In addition, it is preferred that students have taken the equivalent of ST1131 Introduction to Statistics.

COURSE MATERIALS

1. Textbook

Fundamentals of Corporate Finance, 12th Edition

By Stephen A. Ross, Randolph W. Westerfield, Bradford D. Jordan

Published: January 2, 2018

ISBN: 9781260091908

Available in NUS Coop: <https://nuscoop.nus.edu.sg/fundamentals-of-corporate-finance-12e.html>

2. Financial calculator

Each student is required to bring a financial calculator to all lectures, tutorials, quizzes, and tests. Recommended financial calculator: Texas Instruments BAII Plus Financial Calculator

3. Presentation slides will be posted on LumiNUS.

Please note that the slides do not comprise self-contained lectures. Please note that the slides should be used in conjunction with the pre-recorded videos, live virtual sessions, and tutorials. The intent is to reduce the amount of rote copying so that more time can be devoted class discussion.

4. Sets of pre-recorded weekly videos will be posted on LumiNUS approximately 1 week before the live virtual lecture in which they will be discussed.

Students are expected to have viewed the set of videos covering the materials before the lecture sessions in which they will be discussed. I would highly recommend that you watch the videos in the sequence indicated in the title of each video.

5. Selected articles from academic finance journals and periodicals (WSJ, Economist, etc.) may be posted on LumiNUS to enhance our discussions during the live Zoom sessions.

6. Tutorial questions will be posted on LumiNUS

Students are responsible for understanding all assigned problems since they will help prepare for the quizzes, midterm, and final exam.

ASSESSMENTS

Component	Weight
Quiz (best 2 of 3): during your assigned tutorial, see schedule	10%
Midterm: Week 7 (during your assigned lecture section)	30%
Final exam: following NUS final examination schedule	45%
Lecture Class Participation	5%
Tutorial Class Participation	10%
Total	100%

Letter grades will be assigned based on the class distribution of the course's total scores. The grade cutoff points will be adjusted based on the class's overall performance.

Quizzes

There will be three quizzes conducted during your assigned tutorial session in Weeks 6, 10, and 13. Please refer to the tentative course schedule for details on the materials covered in each quiz.

If, for a valid and documented reason, you are unable to take the quizzes on the scheduled date, the weighting of the first quiz's grade will be transferred to next quiz following the missed quiz (pending approval from the Head of the Finance Department). There will be no make-up quizzes. Students must take at least two out of the three quizzes to pass this module.

Midterm & Final Exam

The midterm will be conducted during your assigned lecture session in Week 7. The final will be conducted during the final exam following the University schedule.

Class Participation

Your assigned tutor and I will observe student participation during the lectures and tutorial sessions and reward students who make a substantial effort. Your class participation mark will be allocated by your tutor and me based on your attendance (lectures and tutorials), participation in discussions and activities, and (if presentations are assigned by your tutor) tutorial presentations.

You will only receive credit for participation made in your specifically assigned lecture and tutorial sections. **You must attend your assigned tutorial and lecture sections, and only your assigned tutorial and lecture sections!**

Please note that simply attending the lectures and tutorials is a necessary condition, but **not** sufficient to receive a favorable class participation grade. In evaluating class participation, we will look for comments that are thoughtful and lead the discussion forward. Our evaluation will be based on how well you have participated in class, looking at the quality, not the quantity, of your participation. You can improve your participation grade considerably by coming to class prepared. Participation points are awarded **at our discretion** and are based solely on **our opinion** of your efforts and your contribution to class discussions. These points are not automatically given but must be earned. They are **not subject to negotiation**.

CONTACTS

I highly recommend contacting me through email. I will try my best to respond to your emails within 48 hours.

CLASS ATTENDANCE

You are responsible for materials covered in the pre-recorded videos as well as materials discussed in the lectures and tutorials. Therefore, you are required to attend both your assigned lecture and tutorial sessions every week. Your attendance in these sessions will be part of the lecture and tutorial participation assessments. You are responsible for all announcements made during the lecture and tutorial sessions, as well as those announced in the pre-recorded weekly videos.

Lecture and tutorial sessions may be recorded. The recordings will be made available solely for the purpose of making the session accessible to those who are unable to attend the sessions.

ACADEMIC HONESTY & PLAGIARISM

Academic integrity and honesty are essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism:

<http://emodule.nus.edu.sg/ac/>

ACKNOWLEDGEMENTS

The module description and contents are based heavily on a previous version of the module offered by Dr. Jumana Zahalka, with consultation with Associate Professor Chen Renbao and Mr. Chong Lock Kuah of NUS Business School.

TENTATIVE COURSE SCHEDULE (Subject to change)

This is an approximate schedule of topics that will be covered. The lectures will be delivered virtually every Tuesday (please attend your registered session: 10:00–noon or 14:00–16:00). All videos and readings are required; please view and read them **prior** to their corresponding lecture and tutorial. Additional recommended reading may be assigned throughout the course. Adjustments might be made during the course if the pace is faster/slower than expected.

Week	Virtual lecture	Lecture topic	Videos posting	Reading	Tutorial
1	12-Jan	Intro & Overview of Financial Management	6-Jan	Ch 1	No tutorial
2	19-Jan	Financial Statement Analysis	13-Jan	Ch 2, 3	No tutorial
3	26-Jan	Time Value of Money	20-Jan	Ch 5, 6	Tutorial 1: Financial management & financial statement analysis
4	2-Feb	Risk & return 1	27-Jan	Ch 12, 13	Tutorial 2: Time value of money
5	9-Feb	Risk & return 2	3-Feb	Ch 12, 13	Tutorial 3: Risk & Return 1
6	16-Feb	Bonds	10-Feb	Ch 7	Tutorial 4: Risk and Return 2 Quiz 1 (materials from weeks 1 - 4 lecture topics)
Recess					



Week	Virtual lecture	Lecture topic	Videos posting	Reading	Tutorial
7	2-Mar	Common Stock Midterm (materials covering weeks 1-5 lecture topics; tutorials 1-4)	17-Feb	Ch 8	Tutorial 5: Bonds
8	9-Mar	Capital Budgeting 1	3-Mar	Ch 9,10	Tutorial 6: common stock
9	16-Mar	Capital Budgeting 2	10-Mar	Ch 9,10	Tutorial 7: Capital Budgeting 1
10	23-Mar	Long term Financial Planning 1	17-Mar	Ch 4	Tutorial 8: Capital Budgeting 2 Quiz 2 (materials from weeks 5 - 8 lecture topics)
11	30-Mar	Short term Financial Planning 1	24-Mar	Ch 18, 19, 20	Tutorial 9: LT planning
12	6-Apr	Options	31-Mar	Ch 24	Tutorial 10: ST planning
13	13-Apr	Recap	-	-	Tutorial 11: options Quiz 3 (materials from weeks 9-11 lecture topics)
Reading weeks					
	TBA	Final exam (all materials covered in lectures and tutorials throughout the semester)			