

# Corporate Finance

# 公司金融

Zhejiang University

Fall 2022

- Instructor: 洪鑫 (Xin Hong)  
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- Office Hour: By appointment
- Course Description: This course will serve as an introduction to corporate finance. Students will be exposed to both fundamental theories and real-world applications in financial management. Particular focus will be paid to the investment, financing, and payout decision of the firm.

- **Course Materials:**

- Ross, Westerfield, Jaffe, Corporate Finance, Recommend

- **Cheating:** Any evidence of cheating will be dealt with using the rules of the University

- **Attendance:** I will grade your attendance in class. You are also responsible for all material covered in class, as well as announcements pertaining to the class that may not be included in the lecture notes.

- **Grades:**

Homework + Class Attendance	<b>20%</b>
Literature Review (Individual Work)	<b>30%</b>
Final Exam	<b>50%</b>

## LITERATURE REVIEW (文献综述)

A literature review summarizes and synthesizes the existing scholarly research on a particular topic. Unlike research papers, which establish new arguments and make original contributions, literature reviews organize and present existing research.

You should choose a topic related to corporate finance and write a literature review. Your literature review should:

1. Contain a concise and critical assessment of the research question and the field.
2. Say, in particular, what has been done, how it has been done and what is not done/important to be done
3. Avoid giving abstracts of each paper separately: your task is to think about the overall state of research and link all these papers.
4. Contain new research ideas in as much detail as possible

Your literature review should not exceed **Ten** pages. The report should be submitted on the last day of the class.

# **TENTATIVE COURSE OUTLINE**

- Chapter 1: Introduction to Corporate Finance
- Chapter 2: Financial Statements and Cash Flow
- Chapter 3: Financial Statements Analysis and Financial Models
  
- Chapter 4: Discounted Cash Flow Valuation
- Chapter 5: Net Present Value and Other Investment Criteria
- Chapter 6: Making Capital Investment Decisions
- Chapter 7: Risk Analysis, Real Options, and Capital Budgeting
- Chapter 8: Interest Rates and Bond Valuation
- Chapter 9: Stock Valuation

# **TENTATIVE COURSE OUTLINE**

- Chapter 10: Some Lessons from Capital Market History
- Chapter 11: Return and Risk: The Capital Asset Pricing Model (CAPM)
- Chapter 13: Risk, Cost of Capital, and Valuation
- Chapter 15: Long-term Financing: An Introduction
- Chapter 16: Capital Structure: Basic Concepts
- Chapter 17: Capital Structure: Limits to the Use of Debt
- Chapter 18: Valuation and Capital Budgeting for the Levered Firm
  
- Chapter 19: Dividends and Other Payouts
- Chapter 20: Raising Capital