

University of Illinois at Chicago
Finance 320 - Managerial Finance
Fall 2012
General Information

Stanley Waite- Instructor

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Office Hours: Thursday 5:00 – 6:00, by appointment

Course Objectives: Introduce students to risk, the valuation of financial assets (primarily stocks and bonds) using tools acquired in FIN 300, cost of equity and cost of capital, capital budgeting and dividend policy.

In-Class Examinations: There will be three in-class examinations, after completion of each part of the syllabus. No make-up exam will be offered unless there are compelling medical reasons and such reasons are supported by a doctor's certificate.

Exam Format: Exams will consist of a combination of true/false questions, multiple choice questions, short essay questions and problems requiring calculations. (A financial calculator is required.) There will be a final group assignment in place of a final exam. It will build on the material covered throughout the course.

Class Participation and Assignments: You are expected to enrich class discussion by your participation and this will form part of your grade. You are expected to attend all lectures and attendance will be taken at random. You need to keep up with the readings and any changes to them. Such changes will be announced in class and you will be held responsible for being abreast of such changes.

Assignments are to be submitted on due dates. Late submission will be penalized.

Weighting	Problem Sets	10%
	News Analysis & Presentation	10%
	Attendance	5%
	Term Project	20%
	Exam 1	10%
	Exam 2	15%
	Exam 3	15%
	Final Group Assignment	15%

Grading	A	90-100%
	B	80-89%
	C	70-79%

I do not grade on a curve but do provide ample opportunities for extra credit.

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Syllabus - Fall 2012

REQUIRED TEXT: Ross, Westerfield, Jaffe 2010 **Corporate Finance** (Ninth Edition)

McGraw-Hill/Irwin

RECOMMENDED:

The Wall Street Journal

Financial Times

Date	Topics
Aug. 28	Ch. 1 – Introduction to Corporate Finance
Aug.30	Ch. 4 – Discounted Cash Flow Valuation
Sept. 4	Ch. 4 – (cont'd)
Sept. 6	Ch. 8 – Interest Rates and Bond Valuation
Sept. 11	Ch. 8 – (cont'd)
Sept. 13	Ch. 15 – Long Term Financing
Sept. 18	Ch. 2 – Financial Statements & Cash Flow
Sept.20	Ch. 2 – (cont'd)
Sept. 25	EXAM 1 (Ch. 4 & 8)
Sept. 27	Ch. 3 – Financial Statements Analysis & Financial Models
Oct. 2	Ch. 3 – (cont'd)
Oct. 4	Ch. 5 – Net Present Value & Other Investment Rules
Oct. 9	Ch. 5 – (cont'd)
Oct. 11	Ch. 6 – Making Capital Investment Decisions
Oct. 16	EXAM 1 (Ch. 1, 2, 3, 4, 8, 15)
Oct. 18	Ch. 7 – Risk Analysis, Real Options & Capital Budgeting
Oct. 23	Ch. 9 – Stock Valuation
Oct. 25	Ch. 10 – Risk & Return: Lessons from Market History
Oct. 30	Ch. 11 – Return & Risk: CAPM
Nov. 1	Ch. 11 – (cont'd)
Nov. 6	Ch. 12 – An Alternate View of Risk & Return: APT
Nov. 8	Ch. 13 – Risk, Cost of Capital & Capital Budgeting
Nov. 13	Ch. 13 – (cont'd)
Nov. 15	Ch. 16 – Capital Structure: Basic Concepts
Nov. 20	EXAM 2 (Ch. 5, 6, 7, 9, 10, 11)
Nov. 22	THANGSGIVING DAY
Nov. 27	Ch. 17 – Capital Structure: Limits to the Use of Debt
Nov. 29	Ch. 18 – Valuation & Capital Budgeting for the Levered Firm
Dec. 4	Ch. 18 – (cont'd)
Dec. 6	Ch. 19 – Dividends & Other Payouts

Academic Integrity and Class Conduct

Consistent with CBA policy, cheating, plagiarism, and other forms of academic dishonesty are considered very serious offenses and will be dealt with in accordance with established procedures. Please familiarize yourself with a complete statement of the Honor Code at [http://www.uic.edu/cba/Faculty/academic affairs/ honorcode.html](http://www.uic.edu/cba/Faculty/academic%20affairs/honorcode.html)

Should you have any questions about what constitutes appropriate behavior, please do not hesitate to consult me.