
CORPORATE FINANCE in Fall 2019 (BA3010B)

Course Code	BA3010B	Professor(s)	Jean-Pierre Nicolas
Prerequisites	None	Office Number	
Class Schedule	MR: 12:10-13:30 in C-104	Office Hours	By Appointment
Credits	4	Email	jnicolas@aup.edu
Semester	Fall 2019	Office Tel. Ext.	

Course Description

This is an introductory course in finance focusing on corporate applications in the international environment. It covers the basic theories of interest rate, valuation of streams of cash flows, pricing of risk, and CAPM, and it draws practical implications for capital structure, project valuation, financing, and risk management.

More specifically, the course contains a basic introduction to topics such as:

- The main characteristics of corporations
- The relationship between accounting information and the information analyzed in corporate finance
- Interest rates and the time value of money
- The valuation of bonds and stocks
- Introduction to risk
- Portfolio theory
- CAPM (Capital Asset Pricing Management)
- The investment decision
- The financing decision including capital structure theory and the cost of capital
- Payout policy

Course Learning Outcomes

Be able to determine capital budgeting needs for the firm
Calculation of the optimal capital structure
Deriving Dividend Policy for the firm
Forecast Financial Statements

General Education

Course Outline

BA3010 Calendar	B	Topic	Chapter	Notes
1 September	2	Introduction to Corporate Finance	1&2	
2 September	5	Introduction to Corporate Finance	1&2	
3 September	9	Time value of money	5	Bring a fin
4 September	12	Time value of money	5	"
5 September	16	Accounting and Finance	3	"
6 September	19	1 Quizz-Accounting and Finance	3	"
7 September	23	Measuring Corporate Performance	4	"
8 September	26	Measuring Corporate Performance	4	"
9 September	30	2 Quizz-Valuing Bonds	6	"
10 October	3	Valuing Bonds	6	"
11 October	7	Valuing Stocks	7	"
12 October	10	Valuing Stocks	7	"
13 October	14	3 Quizz-Introduction to risk	11	"
14 October	17	Introduction to risk	11	"
15 October	21	Risk and Return	11	"
16 October	24	4 Quizz- Porfolio Theory, CAPM	12	"
17 October	28	Porfolio Theory, CAPM	12	"
18 November	4	1 MINI MID TERM 1		"
19 November	7	Net Present Value and Other Investment Criteria	7	"
20 November	14	5 Quizz-Dicounted Cash Flow Analysis	9	"
21 November	18	Project analysis	10	"
22 November	21	Forecasting Financial Statements		"
23 November	25	2 MINI MID TERM 2		"
24 November	28	WACC and Company Valuation	13	"
25 December	2	Payout Policy	17	"
26 December	5	Final Exam Review	15	"
December	16	Final Exam		"

Textbooks

Title	Author	Publisher	ISBN	Required
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Attendance Policy

Students studying at The American University of Paris are expected to attend ALL scheduled classes, and in case of absence, should contact their professors to explain the situation. It is the student's responsibility to be aware of any specific attendance policy that a faculty member might have set in the course syllabus. The French Department, for example, has its own attendance policy, and students are responsible for compliance. Academic Affairs will excuse an absence for students' participation in study trips related to their courses.

Attendance at all exams is mandatory.

IN ALL CASES OF MISSED COURSE MEETINGS, THE RESPONSIBILITY FOR COMMUNICATION WITH THE PROFESSOR, AND FOR ARRANGING TO MAKE UP MISSED WORK, RESTS SOLELY WITH THE STUDENT.

Whether an absence is excused or not is ALWAYS up to the discretion of the professor or the department. Unexcused absences can result in a low or failing participation grade. In the case of excessive absences, it is up to the professor or the department to decide if the student will receive an "F" for the course. An instructor may recommend that a student withdraw, if absences have made it impossible to continue in the course at a satisfactory level.

Students must be mindful of this policy when making their travel arrangements, and especially during the Drop/Add and Exam Periods.

Grading Policy

30 points: 2 mini mid-terms (15 points each)

15 points: Assignments (5 points) - Case Study (5 points) - Attendance (5 points)

20 points Quizzes (4 best of 5 quizzes, 5 points each)

35 points Final Exam

I do not accept late assignments. If a student misses a quiz due to absence a zero is recorded as grade regardless the reason. There are five quizzes and I drop the lowest quiz. NO exam absences are tolerated unless you present a recommendation from Student Affairs, NO LATER THAN 1 WEEK FOLLOWING THE ABSENCE.

During Exams and Quizzes, late students will be admitted and permitted to take the exam IF AND ONLY IF NO STUDENT HAS LEFT THE ROOM, WITH NO ADDITIONAL TIME GRANTED.

Late arrival after the first student has left the exam room is considered an absence.

Grading Scale:							
Score	Excellent		Good		Average		Unsatisfactory
95-100	A (4.0)	87-89	B+ (3.3)	77-79	C+ (2.3)	67-69	D+ (1.3)
90-94	A- (3.7)	84-86	B (3.0)	74-76	C (2.0)	64-66	D (1.0)
		80-83	B- (2.7)	70-73	C- (1.7)	60-63	D- (0.7)
						Under 60	F (0)
Grading Description:							
• Excellent: Reserved for superior quality and outstanding performance. • Good: Granted to above average and thorough performance • Average: adequate and acceptable work meeting course requirements, average comprehension • Unsatisfactory: An unacceptable and non-passing grade reserved for low performance.							
In general, the high and low level of grading scale are reserved for exceptional cases. An excellent (A and A-) grade level is reserved for outstanding performance. An unsatisfactory (under C-) grade level is to be avoided and students will be advised to withdraw from the course before the withdrawal deadline.							

Other

Required Material

A Financial calculator: Texas Instruments BAII Plus or HP 12C or Casio FC 100V. Can be purchased at Amazon, eBay, etc. I use the HP10bII+.

(Guide: http://www.tvmcalcs.com/index.php/calculators/financial_calculator_recommendations).

Teaching Assistants

Teaching Assistants for this course will be available in the Academic Resources Center for tutoring and assistance. **This course is very hard.** Please turn to them for help.

Communication and Blackboard

Blackboard is used for this course. Students are responsible for checking the Blackboard website and their AUP emails for updates.

Various PowerPoint presentations and documents will be posted on Blackboard.

Laptops and Mobile Telephones and Tablets

Laptops are not allowed during classes except when authorized for note-taking or for specific exercises. Permission may be reversed.

Mobile phones should be either off or on silent mode. If you use your phone during class lectures, I will confiscate your telephone.

YOU HAVE BEEN WARNED.

Content Modification

In the Anglo-American academic tradition a professor has full control of the content and organization of the course, material, classroom, and grading practices, and may modify it at any time based on assessment and progress of students.