



**University of International Business and Economics
International Summer School**

FIN 210 Corporate Finance

Term: October 11-November 5, 2021

Instructor: Di Gong

Home Institution: University of International Business and Economics

Email: d.gong@uibe.edu.cn

Class Hours: Monday through Friday, 120 minutes each day (2,400 minutes in total)

Office Hours: TBD

Discussion Session: 2 hours each week

Total Contact Hours: 64 contact hours (45 minutes each, 48 hours in total)

Location: WEB

Credit: 4 units

Course Description:

This course covers central issues in financial management and corporate finance. Students will learn how financial managers make investment, financing and other decisions and the tools they use to reach such decisions. Topics covered include time value of money, risk, valuation, capital structure, capital budgeting, dividend policy and mean-variance portfolio selection. The course provides the analytical tools and the financial theories needed to implement sound financial decisions within a corporation (and outside of a corporation). Ideas are presented in a cohesive way within the framework of the no-arbitrage principle, the fundamental principle shaping all aspects of modern finance. Command of the subject is crucially important for anyone considering a career not only in investment banking, investment management or trading, but also in general management, corporate strategy, management consulting, entrepreneurship, and the non-profit world.

Course Goals:

1. Price future certain (and uncertain) streams of income.
2. Apply valuation methods effectively when making capital-budgeting decisions.
3. Learn to value bonds.
4. Recognize the financial and strategic implications of alternative corporate financing decisions in different environments.
5. Learn to value stocks.
6. Understand the relationship between risk and return and how this relationship impacts valuation methods and investment decisions

Required Textbook:

Stephen Ross and Randolph Westerfield and Jeffrey Jaffe and Bradford Jordan
Corporate Finance 11th Edition (ISBN10: 0077861752 / ISBN13: 9780077861759)
Publisher: McGraw-Hill Education; 11th edition

Grading Policy:

The grade for the course will be based on the following:

Participation	10%
Homework	20%
Quiz	20%
Final Exam	50%

Grading Scale:

Assignments and examinations will be graded according to the following grade scale:

A	90-100	C+	72-74
A-	85-89	C	68-71
B+	82-84	C-	64-67
B	78-81	D	60-63
B-	75-77	F	below 60

Homework: Homework assignments are individual work and will be given after each class and will be due right before the beginning of the next class.

Exam: Calculators may be used but accessing the Internet, using e-mail or any other text-messaging or internet devices, such as cell phones, smart watches or PDAs, will not be allowed. Exams must also be taken at the scheduled time. There will be no make-up exams.

Plagiarism & Fraud:

Cheating on exams and homework will not be tolerated. Evidence of cheating or submission of homework that is not the product of your own work will result in a score of zero. Repeated occurrences may result in disqualification.

Course Schedule:

Week	Date	TOPICS	READING
1	Day 1	Introduction to Corporate Finance & Financial Statements and Cash Flow	CH. 1 & 2
	Day 2	Financial Statements Analysis and Financial Models & Discounted Cash Flow Valuation	CH. 3 & 4

	Day 3	Net Present Value and Other Investment Rules & Making Capital Investment Decisions	CH. 5 & 6
	Day 4	Quiz and Assignment on Chapters 1-6	
	Day 5	Risk Analysis, Real Options, and Capital Budgeting & Interest Rates and Bond Valuation	CH. 7 & 8
2	Day 6	Stock Valuation & Risk and Return: Lessons from Market History	
	Day 7	Return and Risk: The CAPM Model & An Alternative View of Risk and Return: The APT	CH. 11 & 12
	Day 8	Quiz and Assignment on Chapters 7-12	
	Day 9	Risk, Cost of Capital, and Valuation & Efficient Capital Markets and Behavioral Challenges	CH. 13 & 14
	Day 10	Long-Term Financing: An Introduction & Capital Structure: Basic Concepts	CH. 15 & 16
3	Day 11	Capital Structure: Limits to the Use of Debt & Valuation and Capital Budgeting for the Levered Firm	CH. 17 & 18
	Day 12	Quiz and Assignment on Chapters 13-18	
	Day 13	Dividends and Other Payouts & Raising Capital	CH. 19 & 20
	Day 14	Leasing & Options and Corporate Finance	CH. 21 & 22
	Day 15	Short-Term Finance and Planning & Cash Management	CH. 26 & CH. 27
4	Day 16	Quiz and Assignment on Chapters 18-25	
	Day 17	Credit and Inventory Management & Mergers and Acquisitions	CH. 28 & 29
	Day 18	Financial Distress & International Corporate Finance	CH. 30 & 31
	Day 19	COURSE REVIEW	
	Day 20	FINAL EXAM	