

FIN2004/FIN2704/FIN2004X/FIN2704X – Finance AY2020/2021 Semester 1

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

INSTRUCTOR:

Dr. Deserina Sulaeman

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Office Hours: Virtual office hours, by appointment only

COURSE TUTORS:

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

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 will 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 using a video conferencing software), and small group tutorials to convey the material. **Each student is expected to contribute regularly to discussions in their assigned lecture and 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 **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

ACC1002/ACC1002X Financial Accounting. In addition, it is preferred that students have taken the equivalent of BZ1008 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

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 that will be discussed in the weekly lecture sessions. 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.

6. Tutorial problems will be posted on LumiNUS

You will be responsible for understanding all assigned problems since they will help prepare you for quizzes and tests.

ASSESSMENT COMPONENTS (Subject to change)

Component	Weight
Quizzes: TBA (during your assigned tutorial)	10%
Midterm: Week TBA (during your assigned lecture section)	30%
Final exam: Week TBA (during final week)	45%
Lecture Participation	5%
Tutorial 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.

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 also responsible for all announcements made during the lecture and tutorial sessions.

ACADEMIC HONESTY & PLAGIARISM

Academic integrity and honesty is 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 and 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. Due to the ongoing COVID-19 pandemic, 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	Lecture	Reading	Tutorial
1	Intro & Overview of Financial Management	Ch 1	No tutorial
2	Financial Statement Analysis	Ch 2, 3	No tutorial
3	Time Value of Money	Ch 5, 6	Tutorial 1: Financial management & financial statement analysis
4	Risk & return 1	Ch 12, 13	Tutorial 2: Time value of money
5	Risk & return 2	Ch 12, 13	Tutorial 3: Risk & Return 1
6	Bonds	Ch 7	Tutorial 4: Risk and Return 2
Recess			
7	Common Stock	Ch 8	Tutorial 5: Bonds
8	Capital Budgeting 1	Ch 9,10	Tutorial 6: common stock
9	Capital Budgeting 2	Ch 9,10	Tutorial 7: Capital Budgeting 1
10	Long term Financial Planning 1	Ch 4	Tutorial 8: Capital Budgeting 2
11	Short term Financial Planning 1	Ch 18, 19, 20	Tutorial 9: LT planning
12	Options	Ch 24	Tutorial 10: ST planning
13	Recap		Tutorial 11: options
Reading weeks			
Final Exam (TBA)			