

Investments Analysis (mod. a) – Fall 2018

Instructor: Emanuela Giacomini

Office Location: Department of Economics and Law, Via Crescimbeni 14.
Email: emanuela.giacomini@unimc.it
Office Hours: Tuesday 4pm
Lecture Times: Friday 11am – 1pm & 2pm-4pm
Textbook: Principles of Corporate Finance, Brealey, Mayers and Allen, 12th Edition 2017, McGrawHill/Irwin. Chapters 1, 2, 3, 4, 5, 6, 7, 8 & 18.

Course Overview and Objectives

This course provides an in-depth discussion of fundamental principles related to corporate finance. The main objectives of this class include understanding a) value a project, b) how securities are priced c) how to finance a project.

Though we consider the viewpoint of corporate investment professionals, the primary focus in this course centres on personal financial decisions. Therefore, as we move through the material in this course, it's a good idea to ask yourself, "How would the material covered in this class affect my real-world investment decisions?"

Topics

- Topic 1 Introduction to Corporate Finance
- Topic 2 Net present Value and Other Investment Criteria/Making Investment Decisions with the NPV rule
- Topic 3 Valuing Bonds
- Topic 4 Valuing Common Stocks
- Topic 5 Risk and Return/Capital Asset Pricing Model
- Topic 6 Corporate Financing/How much should a corporation borrow?

Course Prerequisites A substantial portion of this course will be quantitative in nature and therefore requires you to use Microsoft Excel (or equivalent) and to be familiar with basic statistical concepts such as mean, variance, standard deviation and correlation. Furthermore, basic calculus and algebra skills are a necessity.

Class Notes

I will make class notes available via the course E-Learning website. However, the notes will not be comprehensive and will not be sufficient to substitute for class attendance.

Grading

Grade Breakdown:

Item	Weight
Assignments	20%
Final Exam	60%
Final Project	20%

Students that do not attend class will be evaluated based only on the final written exam.

Homework is a combination of multiple-choice, short answer, and written problems. All the homework assignments will be equally weighted to give an overall homework score. *The homework assignments will be due before class begins on their respective due dates.* You can work on homework assignments in groups (max of two people) if you wish, but each student must turn in his/her own homework.

Final Exam will likely be a combination of multiple-choice, short answer, and written problems. In-class examples and the problems from the homework assignments should serve as good exam preparation tools.