

DONGGUAN UNIVERSITY OF TECHNOLOGY

School of Economics and Management

Course Syllabus

Spring 2019

Course Information

Course Code	086114
Course Title	Finance
Instructor	Huang, Chunyang
Class	2017 Economics and Finance (Financial Management Industry-University International Program)
Course Category	☒ Compulsory ☐ Elective
Credit(s)	2
Total Hours	36
Hours Per Week	2 hours per week for weeks 1-18
Practical Hours	0
Lab Practice Hours	0
Classroom	Room 3402, GuanCheng Campus;
Time	Wednesday, 10:25-12:00
Office Hour	Monday 14:30-16:00 at 3207 Guancheng Campus; by appointment
Required Textbook	Zvi Bodie, Robert Merton, and David Cleeton, <i>Financial Economics</i> (2nd edition), 2009, Renmin University Press
Supplementary Materials	1. Brealey, R., and S. Myers, <i>Principles of Corporate Finance</i> , (9th edition), Irwin/McGraw Hill, 2007 2. www.wallstreetcn.com 3. www.eastmoney.com
Prerequisites	Microeconomics, Macroeconomics, Advanced Mathematics

Assessment and Grading

Your performance in the course will be evaluated based on three parts: attendance (20%), exercises (20%), and final exam (60%). The detailed grading is as following:

	Standard	Notes
Attendance, 20%	If you are late or leave early, your grade will be taken one point each time. If you are absent for one class, the taken point will be 2 for each absentee. Give questions is a good way to get points in attendance.	If you are taken more than 10 points away, I will reserve your right to participate the final exam.
Exercises 20%	Two sessions of exercise questions based on lecture contents will be distributed during the course.	Your answers to the questions should be handed in within one week
Final exam, 60%	Questions for final exam will cover the core concepts, methodologies, techniques, and applications from the course.	Closed book exam.

Course Description

Finance is the study of the allocation of scarce resources over time under uncertainty. There are four building blocks in traditional finance: asset allocation over time, asset valuation, risk management and corporate finance. In this course, we will study the basic theories in these four building blocks. Key contents include (1) time value of money, (2) discounted cash flows, (3) project evaluation, (4) bond valuation, (5) stock valuation, (6) risk management and diversification, (7) portfolio selection, (8) CAPM, (9) forward and future, (10) option pricing, (11) real option, and (12) capital structure.

Course Objectives

After this course, you should be able to:

- Understand the key concepts and principles in finance, such as time value of money, risk and return, the law of one price, arbitrage, discount cash flow (DCF) valuation model, hedging, insurance, diversification, the capital asset pricing model (CAPM), capital structure, financial signaling, etc.
- Explain the real-world financial events with knowledge from this course.
- Apply the learned knowledge to your daily financial decisions.

Course Schedule

Week/Date	Topic	Required Reading and Assignments
1/Feb. 27	Introduction: what is finance?	Chapter 1
2/Mar. 6	The operation of financial markets and institutions	Chapter 2
3/Mar. 13	Time value of money	Chapter 3
4/Mar. 20	Household saving and investment decision	Chapter 4
5/Mar. 27	Project evaluation	Chapter 5
6/Apr. 3	Principles of market valuation	Chapter 6
7/Apr. 10	Valuation of fixed-income securities	Chapter 7
8/Apr. 17	Valuation of stock	Chapter 8
9/Apr. 24	Principle of risk management	Chapter 9
10/May 1	Labor's Day	
11/May 8	Portfolio theory	Chapter 11
12/May 15	Capital Asset Pricing Model (CAPM)	Chapter 12
13/May 22	Forward and futures	Chapter 13
14/May 29	Option	Chapter 14
15/Jun. 5	Corporate finance: financial structure of the firm	Chapter 15
16/Jun. 12	Real option	Chapter 16
17/Jun. 19	Course review	
18/Jun. 26	Exercises and discussion	
Total	36 hours	

Date: 2019.3.7

Approved

Reviewed by

Bitao Shi

Signature

BITAO SHI

Director of

Department of International Business and Management