BU3541 Applied Finance 2011/12

(10 ECTS credits)

Module Content/Outline:

This module is a survey module in financial management. It will cover these and other topics:

- Bond pricing
- Types of fixed interest instruments
- Duration and convexity
- Bond portfolio management
- Equity Markets
- Derivatives Markets
- Market Indices
- Bubbles And Crashes
- Capital Budgeting
- The Dividend Decision
- Hedging
- International Finance

Lecturer(s):

Professor Brian Lucey and Dr Aleksandar Sevic

Learning Outcomes:

On successful completion of this module students should be able to:

- Define and outline the main elements of a financial statement, and model simple company statements using MS-Excel
- Compute and interpret duration and various bond values
- Apply portfolio concepts in fixed income securities’ management
- Compute and interpret the main estimators of central tendency and dispersion
- Compute and interpret the main regression (simple linear) and correlation parameters
- Find journal and other material on the library local page using the online databases
- Apply business, fixed income securities’ management, financial statement and investment logic to address issues of this module
- Evaluate the decision to merge or acquire a company
- Calculate the cost of capital and the component parts of same
- Propose and evaluate alternative capital structures for a company

Lectures & Tutorials/Contact hours:
• 2 Lectures per week
• 1 Tutorial per week
• Recommended Texts/Key Reading:


Assessment:

Group/individual assignments; essays - 50%

Dates for submission:

To be advised - see detailed Module Outline at start of year

Penalties for late submission:

Submission deadlines are not negotiable. Students unable to submit a term assignment for medical reasons must produce a medical certificate to the School of Business Studies office within three working days of the missed submission date. Certificates received after that time will not be accepted.

Examination:

1 x 3-hour examination - 50%