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| 1. Course code: | | FIN620 | | | 1. Course title: | | | | | | Corporate Finance | | | | | | | | | | |
| 1. College: College of Business Administration | | | | | | | | | | | | | | | | | | | | | |
| 1. Department: Economics and Finance | | | | | | | | | | | | | | | | | | | | | |
| 1. Program: MSc. In Finance | | | | | | | | | | | | | | | | | | | | | |
| 1. Course credits: 3-credit hour | | | | | | | | | | | | | | | | | | | | | |
| 1. Course NQF Level: 9 | | | | | | | | | | | | | | | | | | | | | |
| 1. NQF Credits: TBA | | | | | | | | | | | | | | | | | | | | | |
| 1. Prerequisite: - | | | | | | | | | | | | | | | | | | | | | |
| 1. Lectures Timing & Location: Online | | | | | | | | | | | | | | | | | | | | | |
| 1. Course web page: Blackboard | | | | | | | | | | | | | | | | | | | | | |
| 1. Course Instructor: Dr. Yomna Ahmed Abdulla | | | | | | | | | | | | | | | | | | | | | |
| 1. Office Hours and Location: TBA | | | | | | | | | | | | | | | | | | | | | |
| 1. Course coordinator: Dr. Yomna Ahmed Abdulla Room: S1B-208B Tel: 17437761 E-mail: yahmed@uob.edu.bh | | | | | | | | | | | | | | | | | | | | | |
| 1. Academic year: 2020-2021 | | | | | | | | | | | | | | | | | | | | | |
| 1. Semester: | | |  | **First** | | | | X | | | | **Second** | | |  | | | **Summer** | | | |
| 1. Textbook(s):   Corporate Finance, Ross- Westerfield- Jordan-Bley, McGraw-Hill, Middle East Edition | | | | | | | | | | | | | | | | | | | | | |
| 1. References from the Library (<http://www.ac-knowledge.net/uobv3/>):   Corporate Finance, Berk- DeMarzo, Second Edition, Pearson, 2011 | | | | | | | | | | | | | | | | | | | | | |
| 1. Other learning resources used (e.g. e-Learning, field visits, periodicals, software, etc.):   • Blackboard: blackboard.uob.edu.bh and Safe Assign  • Research papers  • TedX and industry experts videos  The Wall Street Journal; Financial Times; Bloomberg Business Week; The Economist; Google Finance; Yahoo Finance; Investopedia.com; MSN Money Central; CNN Money; MarketWatch | | | | | | | | | | | | | | | | | | | | | |
| 1. Course description (as per the published):   Market efficiency, Shareholders’ wealth, Cost of capital, Capital asset pricing model, Capital budgeting, Dividend policy, Risk management, Capital structure | | | | | | | | | | | | | | | | | | | | | |
| 1. Course Intended Learning Outcomes (CILOs): | | | | | | | | | | | | | | | | | | | | | |
| CILOs | | | | | | *Mapping to PILOs* | | | | | | | | | | | | | | | |
| Learning goals | | | | | | A. Knowledge | | | B. Communication | | | | | C. Responsibility | | | | | D. Research | | |
| Learning objectives | | | | | | A1. Knowledge | A2. Current issues | | B1. Writing communication | | | | B2. Oral communication | C1. Research ethics | | | C2. Global impact | | D1. Critical analysis | D2. Research practice | |
| 1. Evaluate critically the capital budgeting decisions under risk and with real options | | | | | | ✓ |  | | ✓ | | | | ✓ |  | | | ✓ | | ✓ |  | |
| 1. Compare and measure risk and return with CAPM and APM, determine cost of capital, and value the capital structure models | | | | | | ✓ |  | | ✓ | | | | ✓ | ✓ | | |  | |  | ✓ | |
| 1. Assess and decide on the financing of a firm and on its dividend policy | | | | | | ✓ | ✓ | | ✓ | | | | ✓ | ✓ | | |  | |  | ✓ | |
| 1. Examine and recommend a variety of financial tools and concepts to business decision making process | | | | | | ✓ | ✓ | | ✓ | | | | ✓ |  | | | ✓ | | ✓ |  | |
| 1. Show self-reliance when working independently and cooperate in group activities | | | | | |  | ✓ | | ✓ | | | | ✓ | ✓ | | |  | |  | ✓ | |
| 1. Course assessment: | | | | | | | | | | | | | | | | | | | | |
| *Assessment Type* | *Details/ Explanation of Assessment in relation to CILOs* | | | | | | *Number* | | | *Weight* | | | | | | *Date(s)* | | | | |
| Research Project | 2-4-5 | | | | | | 1 | | | 25% | | | | | |  | | | | |
| Presentation | 1-5 | | | | | | 1 | | | 15% | | | | | |  | | | | |
| Case Study | 1-4-5 | | | | | | 1 | | | 20% | | | | | |  | | | | |
| Final Examination  (Respondus) | 1-5 | | | | | | 1 | | | 40% | | | | | |  | | | | |
| Total |  | | | | | |  | | | 100% | | | | | |  | | | | |

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| 1. Description of Topics Covered | |
| *Topic Title*  *(e.g. chapter/experiment title)* | *Description* |
| Chapter 6: Making Capital Investments Decisions | This chapter discusses proforma statement, bid pricing, indirect effects of costs and project break Even points. |
| Chapter 7: Risk Analysis, Real Options and Capital Budgeting | This chapter gives further alternatives for capital budgeting analysis, such as sensitivity analysis, scenario analysis, break-even analysis, and Real option analysis. |
| Chapter 11: Return and Risk: (CAPM) | This chapter include the measures of risk and return in case of individual security and portfolio, capital asset pricing theory and its shortcomings |
| Chapter 12: An Alternative View of Risk and Return: APT | This chapter discusses the relative importance of systematic & unsystematic risk in determining a portfolio’s return and contrast the CAPM and Arbitrage pricing theory. |
| Chapter 13: Risk, Cost of Capital and Valuation | This chapter explains the various costs of capital and the WACC along with its uses. |
| Chapter 14: Efficient Capital Markets and Behavioral Changes | This chapter highlights the forms of efficient market hypotheses, ways of testing it and its relation to behavior finance. |
| Chapter 16: Capital Structure: Basic Concepts | In this chapter we will discuss how corporate capital structure decisions impact investment risk and returns, and ultimately shareholders’ wealth. |
| Chapter 17: Capital Structure: Limits to Use of Debt | This chapter considers capital structure theories such as trade-off theory and pecking order. It also discusses the advantages and shortcomings of leverage |
| Chapter 19: Dividends and Other Payouts | In this chapter we discuss the importance of dividend payments to investors to understand the motivation behind a company’s dividend policy & weather this policy impacts the value creation |

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| 1. Weekly Schedule | | | | | |
| *Week* | *Date* | *Topics covered* | *CILOs* | *Teaching Method* | *Assessment* |
| *1* | 7/2/2021 | **Chapter 6:** Making Capital Investments Decisions | 1-4-5 | Lecturing, Collaborating and Demonstrating | Case study |
| *2* | 14/2/2021 | **Chapter 6:** Making Capital Investments Decisions  ***Mini-Case*** | 1-4-5 | Lecturing, Collaborating and Demonstrating | Case study |
| *3* | 21/2/2021 | **Chapter 7:** Risk Analysis, Real Options and Capital Budgeting  ***Excel exercises on Scenario and Sensitivity analysis*** | 1-4-5 | Lecturing, Collaborating and Demonstrating | Case study |
| *4* | 28/2/2021 | **Chapter 11:** Return and Risk: CAPM)  ***Research paper & Excel exercise*** | 1-2-5 | Lecturing, Collaborating and Demonstrating | Presentation  Final exam |
| *5* | 7/3/2021 | **Chapter 12:** An Alternative View of Risk and Return: APT  ***Research paper*** | 1-2-5 | Lecturing, Collaborating and Demonstrating | Presentation |
| *6* | 14/3/2021 | **Chapter 13:** Risk, Cost of Capital and Valuation  ***Excel exercise on Estimation of WACC*** | 2-4-5 | Lecturing, Collaborating and Demonstrating | Presentation  Final exam |
| *7* | 21/3/2021 | **Chapter 14:** Efficient Capital Markets and Behavioral Changes  ***Research paper*** | 2-4-5 | Lecturing, Collaborating and Demonstrating | Presentation  Final exam |
| *8* | 28/3/2021 | Case study Presentation |  |  |  |
| *9* | 4/4/2021 | Midterm Break | |  |  |
| *10* | 11/4/2021 | **Chapter 16:** Capital Structure:BasicConcepts | 2-4-5 | Lecturing, Collaborating and Demonstrating | Project  Presentation  Final exam |
| *11* | 18/4/2021 | **Chapter 17:** Capital Structure: Limits toUse of Debt  ***Research paper*** | 2-4-5 | Lecturing, Collaborating and Demonstrating | Project  Presentation |
| *12* | 25/4/2021 | **Chapter 19**: Dividends and Other Payouts | 3-4-5 | Lecturing, Collaborating and Demonstrating | Presentation  Final exam |
| *13* | 2/5/2021 | *Labor Day* |  |  |  |
| *14* | 9/5/2021 | **Chapter 19**: Dividends and Other Payouts  ***Research paper*** | 3-4-5 | Lecturing, Collaborating and Demonstrating | Presentation  Final exam |
| *15* | 16/5/2021 | *Eid Holiday* |  |  |  |
| *16* | 23/5/2021 | Project submission |  |  |  |