

Course Syllabus
FINA 5170 (002.022)

Course Information

<i>Course Number / Section</i>	FINA 5170 (002.022)
<i>Course Title</i>	Financial Management
<i>Term</i>	Fall 2021
<i>Days & Times</i>	UNT Internet course

Professor Contact Information

<i>Professor</i>	Tomas Mantecon Prieto
<i>Office</i>	312L
<i>Office Phone</i>	940-891-6905
<i>Office Hours</i>	7:00 p.m. – 8:00 p.m., Tuesdays and Thursdays, via Zoom. You can also contact me at tomas.mantecon@unt.edu . We will have a Zoom meeting every week day, Monday to Friday, from 7p.m. to 8 p.m. The main goal is to work on problems and answer any questions you may have.

Pre-requisites

Students must complete ACCT 5020, FINA 5040, ECON 5000, BCIS 5090, DSCI 5010 before enrolling in this course.

Students who are non-degree or degree seeking undecided may not register for certain courses without departmental approval.

Course Description and Course Objectives

The course objectives are to develop the knowledge and understanding of a broad set of corporate financial principals and fundamentals. This course will teach you the tools and techniques used and proposed in corporate financial management. The financial knowledge you will acquire in this course will be the foundation for other business courses you take, as well as the knowledge you acquire as a professional.

Upon successful completion of this course, you will have developed an understanding of the main concepts in finance, and you should be able to provide an answer to the following questions:

- ✚ What are be the main decisions taken by financial managers? What are agency problems?
- ✚ How to compute loan and mortgage payments with fixed and adjustable rate mortgages?
- ✚ How much money do you need to save to afford a certain life style after retirement?
- ✚ How do you price bonds using the current term structure of interest rates? What happens to the price of a bond if the interest rates change by 1%?
- ✚ How do you price stocks using multiples and discounted cash flows?
- ✚ What available projects should you accept or reject?
- ✚ Where would you invest a certain sum of money, using Markowitz's portfolio theory?
- ✚ Why should investors diversify?
- ✚ What are some of the most important models that relate expected return and risk?
- ✚ How do firms compute their cost of capital and why is it relevant?

Required text

- ✚ **McGraw Hill Connect Finance** is integrated into Canvas so you will have seamless access to the McGraw Hill materials through Canvas. Connect Access Code for the electronic version of the book “Principles of Corporate Finance, by Brealey, Myers, and Allen, 13th edition” Access codes are available for purchase at the UNT Bookstore and on the McGraw Hill Connect website.
- ✚ You will need a **camera** on your computer/laptop to take the exams.

Recommended Readings

- The Wall Street Journal. Every student in our Master’s program gets electronic access to the WSJ. You can request your subscription at this website: <https://cob.unt.edu/masters/wall-street-journal-online-subscription>
- Other interesting source of information include The Financial Times, The Economist, and websites such as <https://www.bloomberg.com/>

Online Course Structure

- ✚ **Canvas:** The **Canvas** website is your primary interface in this the course. All portions of the course will be online. You can access the course material in Canvas at <https://unt.instructure.com/login/canvas>. After you log in using your EUID and password, click on FINA 5170 from the list of courses. If you run into technical problems while using Canvas, please call 940 565 2324 or email vista@unt.edu. All materials are grouped into modules in Canvas. I will post **announcements** at least once a week to inform you about what I expect for the upcoming week. I will open a **discussion forum** for posting questions and comments. I will participate in the discussion forums to provide guidance and to answer specific questions. The discussion forum will stay open until the end of the semester.

Performance Evaluation

Examinations (600 points)

There will be 3 exams during the semester created in McGraw Hill Connect.

Each exam will include the material covered in the prior exam. To offer some flexibility, I will have 2 different exam dates:

- You can take Exam 1 either on Friday, September 17, from 6:00 p.m. to 10:00 p.m., or on Saturday, September 18, from 11:00 a.m. to 3:00 p.m.
- You can take Exam 2 either on Friday, October 29, from 6:00 p.m. to 10:00 p.m., or on Saturday, October 30 from 11:00 a.m. to 3:00 p.m.
- The date for the final exam is set up by the Office of the Registrar. <https://registrar.unt.edu/exams/final-exam-schedule/fall>
You can take the Final exam either on Friday December 3, from 6:00 p.m. to 10:00 p.m., or on Saturday December 4 from 11:00 a.m. to 3:00 p.m.

Please make sure that you do not have other commitments on these days, as exams are allowed on only the scheduled exam dates and there are no makeup exams.

You will need a **camera** on your computer/laptop to take the exam. You will not be able to take the exam if you do not have a camera.

- I will open the exam for a 4-hour window. However, once you begin the exam, you have 3 hours within the four-hour period to complete it in one sitting. You can pause the exam, but the elapsed time clock will continue to tick.
If you experience technical problems with launching or completing the online exams, you should immediately call the student Canvas **help desk at 940-565-2324** to report the problem and get assistance, and obtain a ticket number. If the student help desk cannot resolve the problem in a timely manner, you should then immediately email me to document the situation.
- You can use Excel on your exams. A **financial calculator** such as The Texas Instruments BA-II Plus can also be very useful to solve some problems.

Problem sets (Total 200 points)

You will have 10 problem sets (PS) created in McGraw Hill Connect. Each PS will be worth 20 points. If you have more than 60% questions correct, you will earn 20 points for the problem set.

Please, try to submit the PS several hours before they are due. If you do not submit the PS before the due date, it will not be graded.

Following the markets (Total 200)

You can earn 200 points if you upload 30 or more daily summaries on the progress of the financial markets. You can start uploading summaries on August 30th. The last day to add a report is December 3rd. There are about 67 trading days in the semester. If you upload 30 or more summaries, you will earn 200 points. I recommend you start working on the reports as soon as possible. Keep in mind that the maximum you can earn is 200 points. You will not earn more than 200 points if you do more than 30 summaries. My goal is that you get accustomed to follow the news, and you continue doing this during your professional careers.

The summaries will be due by the end of the next day. For instance, the summary for Sep 4th will be due by 11:59 p.m. Sep 5th. You should write a one-page report and upload it in the section *Assignments* in Canvas.

You have one example in Canvas from a prior semester, in the document **“Example of Following the markets.pdf.”** Your report should contain the following information:

1. Select a company listed in the NYSE or in NASDAQ (any company you want to follow). Follow the daily stock price and press releases about your company. A good source of information is: <https://www.bloomberg.com>.
Copy the news in the daily report. If there is no news, just write: *There is no news about my firm today.*
2. You should also follow the equity (S&P 500), debt (fix income US 6 Months and US 30 years), commodities (WTI crude and gold) and currency (EUR-USD) markets every trading day of the semester.
In the report, you will include the price changes from the prior day in a table with 7 rows, one for each security: (S&P 500, US 6 Months and US 30 years treasuries, WTI crude, Gold (COMEX), EUR-USD exchange, and the change in price of your company).
You can find all this information at <https://www.bloomberg.com>, in the tabs commodities, stocks, rates and bonds, currencies.

3. Underneath the table, include a paragraph with an explanation of the news of the day. You should listen to one of the 1-minute podcasts that you can find at <http://www.wsj.com/podcasts/browse/wsj-minute-briefing>. You can select the episode of your liking for that day.
4. You should also add a second paragraph with the news regarding your selected company.
5. You should also listen to WSJ What's News --- Top stories for <the day>. <http://www.wsj.com/podcasts/browse/wsj-whats-news>
In the third paragraph of your report, you should summarize the content of one of these podcasts. Many days have two episodes. You can listen to the one you prefer.

Thus, the one-page report should consist of 1 table and 3 paragraphs.

Grades

Grades will be computed based on the following maximum number of points:

Exam 1	100
Exam 2	200
Exam 3	300
Problem Sets	200
Following the markets	200
Total	1000 points

Students are responsible for taking the scheduled exams except with accepted excuses. Viable excuses include documented sickness, death in the immediate family, or participation in university sanctioned activities. Beyond these exemptions, no makeup exams will be given.

Grade Distribution

900 – 1000 = A
800 – 899 = B
700 – 799 = C
600 – 699 = D
Below 600 = F

Students should be aware that no extra credit, other than the ones mentioned in this syllabus, will be granted. Unfortunately a few students inquire at the end of each semester: “What can I do to get an A, a B or a C... ?” Unfortunately, the answer is, “*nothing*”; each student has the same opportunity to earn a grade. I will not treat any student differently by allowing the student to obtain extra credit that other students did not have the opportunity to earn.

Tentative Schedule

This is a *tentative* schedule. The student is responsible to attend class and learn about unexpected modifications in the schedule. For instance, a class can be cancelled because I am sick or the University is closed due to weather conditions.

Important deadlines to drop or to withdraw can be found at:

<http://catalog.unt.edu/content.php?catoid=25&navoid=2685>

	Topic	Assignments
Week 1 (August 23 – 29)	Introduction to corporate finance Agency problems Time Value of Money	<ul style="list-style-type: none"> ✚ Read Chapter 1 and Chapter 2 ✚ Start working on <i>the problems in the document “problems_time_value_of_money”</i> You have the solutions in Module Week 2.
Week 2 (August 30 – Sept. 5)	Working on some examples to demonstrate the relevance of time value of money	<ul style="list-style-type: none"> ✚ Start working on <i>Following the markets</i> on August 30th. The document in Canvas “Example of Following the markets.pdf” has an example. ✚ We will work the problems in the document “problems_time_value_of_money “ ✚ You should work on Problems Set 1 (PS1), due on Sep 5 before 12 midnight. ✚ Important: Almost all the questions in the problem sets are taken from the text-book, and you have the solutions to all these problems, with different numbers, in Canvas.
Week 3 (September 6 - 12)	Valuing bonds	<ul style="list-style-type: none"> ✚ Read Chapter 3 ✚ Watch video lectures for Chapters 3. ✚ Problem set 2 is due before 12 midnight of Sunday, Sep 12. ✚ Continue working on <i>Following the markets</i>
Week 4 (September 13 - 19)	Review of Chapters 1-3 Exam 1 (Sep 17 – Sep 18)	<ul style="list-style-type: none"> ✚ Review Chapters 1 – 3 and prepare for Exam 1. ✚ You can take the exam either on Sep 18 or Sep 19. ✚ Continue working on <i>Following the markets</i>.
Week 5 (September 20 - 26)	Valuing common stocks	<ul style="list-style-type: none"> ✚ Read Chapter 4 ✚ Watch video lectures for Chapters 4. ✚ Problem set 3 is due before 12 midnight of Sunday, Sep 26. ✚ Continue working on <i>Following the markets</i>.
Week 6 (Sept. 27 – Oct 3)	NPV and Other Investment Decision Rules	<ul style="list-style-type: none"> ✚ Read Chapters 5 and watch video lectures for Chapter 5. ✚ Problem set 4 (PS4) is due before 12 midnight of Sunday, Oct 3. ✚ Continue working on <i>Following the markets</i>.
Week 7 (October 4 -10)	Making Capital Investment Decision	<ul style="list-style-type: none"> ✚ Read Chapter 6 ✚ Watch video lectures for Chapter 6 ✚ Problem set 5 (PS5) is due before 12 midnight of Sunday, Oct 10. ✚ Continue working on <i>Following the markets</i>.

Week 8 (October 11 -17)	Introduction to <i>Risk and Return</i>	<ul style="list-style-type: none"> 📌 Read Chapters 7 &8 📌 Watch video lectures for Chapters 7& 8. 📌 Problem set 6 (PS6) is due before 12 midnight of Sunday, Oct 17. 📌 Continue working on <i>Following the markets</i>.
Week 9 (October 18 -24)	Review of Chapters 4-7	<ul style="list-style-type: none"> 📌 Review of Chapters 4-7 📌 Problem set 7 (PS7) is due before 12 midnight of Sunday, Oct 24. 📌 Continue working on <i>Following the markets</i>.
Week 10 (October 25 -31)	Exam 2 (October 28)	<ul style="list-style-type: none"> 📌 Prepare Exam 2. The exam will contain questions from Chapters 1-7. 📌 You can take Exam 2 either on Friday, October 29, or on Saturday, October 30 📌 Continue working on <i>Following the markets</i>.
Week 11 (November 1 - 7)	Portfolio Theory and the CAPM	<ul style="list-style-type: none"> 📌 Watch again the video for Chapters 7 &8 and read Chapter 8. 📌 Problem set 8 is due before 12 midnight of Nov 7. 📌 Continue working on <i>Following the markets</i>.
Week 12 (November 8 - 14)	Risk and The Cost of Capital	<ul style="list-style-type: none"> 📌 Read Chapter 9 📌 Watch video lectures for Chapters 9. 📌 Problem set 9 is due before 12 midnight of Nov 14. 📌 Continue working on <i>Following the markets</i>.
Week 13 (November 15 - 21)	Efficient Markets and Behavioral Finance	<ul style="list-style-type: none"> 📌 Read Chapter 13 📌 Watch video lectures for Chapters 13 📌 Continue working on <i>Following the markets</i>.
Week 14 (November 22 - 28)	An Overview of Corporate Financing (Chapter 14)	<ul style="list-style-type: none"> 📌 Read Chapters 14 📌 Watch video lectures for Chapters 14 📌 Problem set 10 is due before 12 midnight of Nov 28 📌 Continue working on <i>Following the markets</i>.
Week 15 (November 29 – Dec 5)	Review of Semester	<ul style="list-style-type: none"> • Review the semester and take a Final Quiz (no-graded) to prepare for the final exam. • The date for the final exam is set up by the Office of the Registrar. https://registrar.unt.edu/exams/final-exam-schedule/fall You can take the Final exam either on Friday December 3, from 6:00 p.m. to 10:00 p.m., or on Saturday December 4 from 11:00 a.m. to 3:00 p.m.

ACADEMIC INTEGRITY STANDARDS AND CONSEQUENCES

According to UNT Policy 06.003, Student Academic Integrity, academic dishonesty occurs when students engage in behaviors including, but not limited to cheating, fabrication, facilitating academic dishonesty, forgery, plagiarism, and sabotage. A finding of academic dishonesty may result in a range of academic penalties or sanctions ranging from admonition to expulsion from the University.

EMERGENCY EVACUATION PROCEDURES FOR BUSINESS LEADERSHIP BUILDING

- **Severe Weather** In the event of severe weather, all building occupants should immediately seek shelter in the designated shelter-in-place area. If unable to safely move to the designated shelter-in-place area, seek shelter in a windowless interior room or hallway on the lowest floor of the building. All building occupants should take shelter in rooms 055, 070, 090, and the restrooms on the basement level or in rooms 170, 155, and restrooms 122, 182 or 183 on the first floor.
- **Bomb Threat/Fire** In the event of a bomb threat or fire in the building, all building occupants should immediately evacuate the building using the nearest exit. Once outside, proceed to the designated assembly area. If unable to safely move to the designated assembly area, contact one or more members of your department or unit to let them know you are safe and inform them of your whereabouts. Persons with mobility impairments who are unable to safely exit the building should move to a designated area of refuge and await assistance from emergency responders. All building occupants should immediately evacuate the building and proceed to the south side of Crumley Hall in the grassy area, west of parking lot 24.

STUDENT PERCEPTIONS OF TEACHING (SPOT)

Student feedback is important and an essential part of participation in this course. The student evaluation of instruction is a requirement for all organized classes at UNT. The short SPOT survey will be made available at the end of the semester to provide you with an opportunity to evaluate how this course is taught. You will receive an email from "UNT SPOT Course Evaluations via *IASystem* Notification" (no-reply@iasystem.org) with the survey link. Please look for the email in your UNT email inbox. Simply click on the link and complete your survey. Once you complete the survey you will receive a confirmation email that the survey has been submitted. For additional information, please visit the spot website at www.spot.unt.edu or email spot@unt.edu.



DISABILITY ACCOMODATION

The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at <http://www.unt.edu/oda/apply/index.html>. Also, you may visit the Office of Disability Accommodation in the University Union (room 321) or call them at (940) 565-4323.

If you need an accommodation, please contact me as soon as possible but at the latest by the second week of class.