I  GENERAL INFORMATION

Title : Managerial Finance II  
Code : BADM 6190
Credits : 3
Academic Term :
Professor : Dr. Felix Cue
Office Phone :
E-mail :

II  DESCRIPTION

Analysis of the company’s financial administration. Emphasis on valuation concepts and approaches, factors and variables on decision making of investment in assets and capital structure and dividend policy. Study of portfolio investment theory and valuation of capital asset models.

III  OBJECTIVES:

It is expected that at the course’s ending the student can:

1. Formulate and analyze the factors and variables that define the conceptual frame of the firm’s financial decision making.
2. Contrast the advantages and disadvantages implied on the different methods for evaluating the investment in capital assets.
3. Explain the theoretical and practical aspects that must be considered on the firm’s cost of capital and its capital structure.
4. Specify theoretical and practical aspects required on the formulation and application of the firm’s dividends policy.
5. Examine the risk analysis on the investment’s evaluation in capital assets, of the investment specifically, and its impact on the firm and relationship with the domestic and world markets.

IV  CONTENTS

A  Introduction: Valuation
1. Risk and Return
2. Portfolio Theory

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3. Asset Pricing Model

Chapters 6 and 7

B Capital Projects and their Valuation
1. The Cost of Capital
2. The Basics of Capital Budgeting
3. Cash Flow Estimation and Risk Analysis
4. Options
   Chapters 10, 11, 12 and 13

C Firm’s Capital Structure and Dividend’s Policy
1. Firm’s Capital Structure
2. Dividend’s Policy
   Chapters 16, 17, and 18

V COURSE EVALUATION

The student will take three exams, prepare a term paper about an analysis of a stock quoted in the stock market and hand over an assignment for each exam

A First Partial Exam : Chapters 6 and 7
B Second Partial Exam : “ 10, 11, 12 and 13
C Final Exam : “ 16, 17, and 18
D Term Paper a Returns and Risk Analysis of a firm’s stock quoted in the sock market and its comparison with their equivalents in the market represented by the 500 S&P Index
E First Partial Exam : 25 %
   Second Partial Exam : 25 %
   Final Exam : 25 %
   Term Paper : 25 %

VI SPECIAL NOTES

1) Supporting Services or Special needs
   Students requiring additional services or special assistance must request these at the beginning of the course or as soon they learn that they need them, through the appropriate register in the Oficina del Consejero Profesional, located at the Program de Orientación Universitaria.

2) Honesty, Fraud, and Plagiarism (General Student Regulation, Chapter V)
   The lack of honesty, fraud, plagiarism and any other inadequate behavior in relation to academic work constitute major infractions sanctioned by General Student Regulations. Major infractions, according to General Regulation Students, may result in suspension from the BADM 6190 Syllabus 2010-2011
University for a period of time greater than one year or the permanent expulsion from the University, among others sanctions.

3) Use of Electronic Devices
Cellular (mobile) telephones and any other electronic device that could interrupt the teaching-learning process or disrupt a milieu favorable for academic excellence will be deactivated. Critical situations will be dealt with in an appropriate manner. The use of electronic devices that permit the accessing, storing or sending of data during tests or examinations is prohibited.

VII EDUCATIONAL RESOURCES:

Audiovisual Resources: provided by the instructor
Audiovisual resources: provided by the professor
Electronic Resources:
www.thompsononeedu.com http://www.textchoice2.com
http://www.investor.reuters.com

VIII BIBLIOGRAPHY


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