Course program and reading list

Semester 3 Year 2021

School: Arison School of Business MBA

Financial Management 1

Lecturer:

Prof. Oded Sarig sarig@runi.ac.il

Tutors:

Mr. Raed Hag-Yehia hag-yehia.raed@post.runi.ac.il

Course No.:	Course Type :	Weekly Hours :	Credit:
2511	Lecture	4	2

Course Requirements :	Group Code :	Language:
Final Exam	1202210	English

Course Description

The course deals with investment decisions of individuals and corporations and the resulting pricing of the main financial instruments – bonds and stocks. The course emphasizes the theoretical framework of financial economics and introduces the main tools for decision making and pricing.

Course Goals

<u>Course requirements</u>:

Homework submission

Final exam.

Homework submission:

Homework is mandatory and should be individually submitted. Yet, you may discuss the assignments with your class members. You should upload your work to the course site on Moodle in either Word or PDF format. All work should be submitted before the TA session following the assignment date. For example, the questions from Chapter 5 should be submitted by March 18, 2021. Late submissions will not be read and graded.

Grading

Homework 5% each set` 20% in total

Final exam 80%

The final will be open book and you will be allowed to use a calculator.

Lecturer Office Hours

Class time: Sunday, 16:00 – 18:50 (with a couple of exceptions)

Tutor Office Hours

Office hours: By appointment: 050-7221970 or sarig@idc.ac.il

Teaching Assistant

TA: Raed Hag-Yehia, 054-4796587 or hag-yehia.raed@post.idc.ac.il

Reading List

Textbook:

Berk and DeMarzo, Corporate Finance, 5th Edition, 2020, Pearson (**BD**)

All reading assignments are mandatory.

Topics, readings and assignments:

Date	Topic	Readings (BD)	Homework (BD)
3/1	Economic choice and firm objective Interest rates	1 4	
3/7	Interest rates – cont. |PV and FV calculations	5	Ch. 4: 1, 3, 4, 11
3/14	PV and FV calculations – cont.		Ch. 4: 14, 15
3/21	Stocks and bonds	9	Ch. 4: 18, 21 Ch. 5: 26, 31
4/5	Investment decisions	7	Ch. 7: 9, 22, 23
4/18	Alternative investment criteria Selected problems in investment decisions	8	