

National Chengchi University

Financial Management

Fall 2010

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Course Objectives

This course will provide an overview of the managerial decision-making process in Finance. It will emphasize the fact that financial management is part of a broader management process, linking an organization with external markets in which it must raise its funds, purchase its inputs, and sell its products. To this end, considerable emphasis is placed on developing a sound conceptual framework along with specific skills and techniques. Topics to be discussed include objectives of financial management, discounted cash flow techniques, value in markets, capital budgeting, establishing target rates of return, risk and capital budgeting, financing policy, cost of capital, and working capital management.

Textbook

Fundamentals of Corporate Finance, by Brealey, Myers, and Marcus, 6th ed., McGraw-Hill, Taiwan Distributor: 華泰書局, Tel: (o2) 21621217

Syllabus

Topics	References
1. Introduction and Time Value of Money	Chapters 1,2,3,4,5
2. Valuation of Bonds and Stocks	Chapter 6,7
3. Investment Evaluation Criteria	Chapter 8
4. Discounted Cash Flows Analysis	Chapter 9
5. Project Analysis	Chapter 10

6. Risk and Return	Chapters 11,12
7. Cost of Capital	Chapter 13
8. Debt Policy	Chapter 16
9. Payout Policy	Chapter 17
10. Working Capital Management	Chapters 18,19,20

Assessment Method

Assessment of this subject is by way of homework assignments and two exams. Homework assignments will be assigned every week. And the assignments are expected to be turned in on time (one week after they are assigned). The mid-term exam and final exam are to be conducted according to the NCCU's administrative calendar.

Marking/Grading Scheme

Homework assignments, class attendance, class participation	1/3
Mid-term exam.	1/3
Final exam.	1/3