

FIN 625: International Monetary Systems and Global Financial Markets
Syllabus: Spring 2021

Class Hours: Monday, 6:00 to 8:45 pm
Class Location: All classes online using the Zoom platform
Instructor: Ben Bystrom
Office Hours: E-mail or call me anytime to discuss projects, assignments and lecture notes.
If I don't pick-up my cell, leave a message and I will get back to you ASAP.
My set times for phone or zoom conversations are: Monday 3:00 to 4:30pm, Wed
1:30 to 3:00pm, Fri 9:45 to 11:00am. Catching me before or after class is fine too
Office: BusAd E602j
E-mail: bbystrom@hawaii.edu
Phone: Cell: 808-226-6049 (I am working from home so don't use my office#)

Class Notes: **There is no required textbook for FIN 625.** The course will instead be based on lecture notes, excel models and case study material provided on Laulima. To better participate in class discussions, read the notes and materials prior to class.

Course Goals and Objectives:

- Build the financial and analytical skills necessary for careers in international banking, asset management, trading and corporate finance. Areas of focus include:
 - Equity analysis, valuation and research
 - Financial statement and policy analysis and consulting
 - Valuation techniques for pricing bonds, commercial real estate and other financial instruments and assets
 - Risk management and hedging in financial markets (ALM, Derivatives, etc.)
 - Trading methods in the various capital markets including debt, equity, foreign exchange, securitization/structured products and real estate.
- Analyze global commercial and investment banks through a review of regulations, financial statements and the competitive market environment. Learn how to efficiently use banks and financial markets to raise capital for business and investment.
- Course is taught via lecture and interactive, in-class exercises. Students must prepare for and participate in all these activities. Assignments are developed to get students involved and learn from the experience.
- While the course will have a global focus, an extra emphasis will be placed on Asia-Pacific markets, using “real-world” case studies we will analyze corporate financial statements, real estate, bonds, stocks, derivatives and other financial instruments.

Additional:

- Calculators: Have your business calculator available during all class meetings. The Hewlett Packard 10B II or the Texas Instruments BAII Plus are fine for the problems we will cover.
- Laptop and Excel: An understanding of excel will be necessary for project work. If you are weak in Excel, be sure to see me during office hours to catch up. Several in-class

assignments will require excel so please have your laptop available during all class meetings.

Grading:

The following factors will be used to measure students' progress through the course. More details will be provided in class.

Assignments: In-class exercises, case studies and short homework assignments will be done in both an individual and group format. Most assignments will be completed in class. To complete assignments, it is required to have your financial calculator and laptop with excel always available.

Equity Analysis Presentation: Each group (2 students per group) will make a pitch (8-minute maximum) oral presentation making a Buy, Sell or Hold recommendation on a company's equity/stock including a 12-month target stock price. In addition to the oral presentation, 1) written executive summary (300-word max), 2) power point slides (14 content slides max) and 3) excel file of financial and valuation modeling.

Macro Investment Theme: Each group (2 students per group) will make a pitch (6-minute max) oral presentation making a pitch to invest in a specific asset class such as debt products (e.g. emerging market debt, US investment grade or high-yield, sovereigns, muni-bonds), commodities, equity by country (e.g. China, UK, US, Brazil, Australia), real estate (e.g. retail, residential, office), currencies (e.g. Yen, Yuan, Euro, Crypto) or alternatives (hedge and venture funds). Key to this will be providing strong **drivers** as to the positive risk/return profile for investing in this asset class. Deliverables: 1) power point slides (10 content slides max).

Financial Policies Consulting Report: Each group (2 students per group) will make a pitch (8-minute max) presentation to the CFO (i.e. our class) of a company recommending financial policy (dividends, capital structure, etc.) changes to improve the company's performance and value. Deliverables: 1) a written executive summary (300-word limit), 2) power point slides (10 content slides max) and 3) excel file of your financial analysis.

Class Participation: Students are strongly encouraged to actively participate in class discussions on exercises, cases and current events. Note: quality (not just quantity) of participation is important. In addition to regular class participation, each student will lead one Market Update Meeting at the beginning of class. You can discuss either 1) Equity market or 2) Other asset (debt, FX, commodities, etc.) markets. Focus your Market Update on major takeaways for the week.

Your course grade will be based on a **reasonable curve** over the total points accumulated on all assignments. The following weights pertain to the assignments above:

In-class Assignments	28%	
Equity Analysis Presentation	25%	
Macro Investment Theme Presentation		15%
Financial Policy Consulting Report	20%	
Class Participation	12%	

Attendance Policy:

Attendance is not taken; however, there are no make-ups for missed in-class assignments. You must have a written official excuse (medical, etc.) for missing major assignments, projects or presentations. Makeups will be considered on a case-by-case basis.

Schedule of Events:

Below is the **tentative** schedule of events subject to change depending on class progress during the course. Read class notes and related material prior to class so as to maximize the usefulness of classroom time. I will be asking questions in class.

Session	Date	Day	Topic	Notes and Readings
1	Jan-11	Mon	Course Intro: Capital Markets Summary Global Market Trends and Current Events Equity Value Drivers and Catalysts	Lecture Notes Each class will start with weekly market and current events review
	Jan-18	Mon	Holiday: Martin Luther King Day	
2	Jan-25	Mon	Equity Research Industry and Competitive Position Corporate Valuation Methods and Exercises	Lecture Notes
3	Feb-1	Mon	Equity Research Corporate Valuation Methods and Exercises Excel based DFCF Case Study	Lecture Notes
4	Feb-8	Mon	Corporate Valuations Presentation PowerPoint Methods Financial Write-up Exercise	Lecture Notes
	Feb-15	Mon	Holiday: Presidents Day	
5	Feb-22	Mon	Equity price sensitivity analysis Cost of capital Equity presentation preparation	Lecture Notes
6	Mar-1	Mon	Group Equity Research and Recommendation Pitches	PowerPoint, Excel and Executive Summary Due Date
7	Mar-8	Mon	Alternative Assets: Hedge Funds, Commodities Hedging, Foreign Exchange and Derivatives	
	Mar-15	Mon	Vacation: Spring Break	
8	Mar-29	Mon	Debt Markets: Rates, Credit, Duration, Bond Pricing. Case studies and exercises.	Lecture Notes
9	Mar-30	Mon	Commercial Real Estate Markets, Valuation and Financing. Case Study on Retail Mall	Lecture Notes
10	Apr-5	Mon	Group Macro Investment Theme Presentations Guest Lecturers TBD	PowerPoint Due Date
11	Apr-12	Mon	Financial Statement Analysis Case Study	Lecture Notes
12	Apr-19	Mon	Financial Policy Analysis Comparing US versus Asia	Lecture Notes
13	Apr-26	Mon	Financial Policy Analysis Case study on Optimizing Financial Policies	Lecture Notes
14	May-3	Mon	Group Financial Policy Consulting Report Presentations Guest Lecturers TBD	PowerPoint, Excel and Executive Summary Due Date

Note: Scheduling of guest lectures is still being arranged.
Time and subjects will be announced in class.