

FIN 625: International Monetary Systems and Global Financial Markets
Syllabus: Spring 2020

Class Hours: Monday, 6:00 to 8:45 pm
Class Location: BusAd D103
Instructor: Ben Bystrom
Office Hours: Monday 3:00 to 4:30pm, Wed 1:30 to 3:00pm, Fri 9:45 to 11:00am
Office hours are first-come-first-serve, no appointments necessary.
Catching me before or after class is fine too
Office: BusAd E602j
E-mail: bbystrom@hawaii.edu
Phone: Office: 956-7493 Cell: 226-6049 (For important issues, Cell# is best)

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 Lualima. 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: Bring your business calculator to class each day. The Hewlett Packard 10B II or the Texas Instruments BAII Plus is 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 bring your laptop to every class.

Grading:

The following factors will be used to measure students' progress through the course.

Assignments: Short assignments will be done in both individual and group formats. Most assignments will be completed in-class.

Examinations: There will be 2 tests, a midterm and final, each consisting of a combination of objective (multiple choice) questions, analytical problems, and short written answers. Tests are closed-book/note. A formula sheet will be provided. The final exam is not cumulative.

Equity Analysis Presentation: Groups (2 students per group) will present a 15-minute (limit) oral presentation making a Buy, Sell or Hold recommendation on a target company's equity/stock to a group of institutional investors. In addition to the oral presentation, 1) a written executive summary (250 word limit), 2) hard copy of your power point slides (20 content slides max) along with any other key presentation material (e.g. excel printouts), and 3) email me (bbystrom@hawaii.edu) your excel file of any financial and valuation modeling. More detailed instructions will be provided in class.

Financial Policies Consulting Report: Groups (2 students per group) will present a 10-minute (limit) oral presentation to the CFO of a company recommending financial policy (dividends, capital structure, etc.) changes to improve the company's performance and value. In addition to the oral presentation, 1) a written executive summary (400 word limit), 2) hard copy of your power point slides (10 maximum) along with any other key presentation material (e.g. excel printouts), and 3) email me (bbystrom@hawaii.edu) the excel file of your financial analysis. More detailed instructions will be provided in class.

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.

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

In-class Assignments	15%
Midterm and Final Exam	50%
Financial Policy Consulting Report	10%
Equity Analysis Presentation	15%
Class Participation	10%

Attendance Policy:

While attendance is not taken, do your very best to attend because there are NO make-ups for missed in-class assignments without official written excuse. Projects and assignments will be collected in class on the day due. You must have a written medical excuse if absent from a test. Make-up tests are typically essay format.

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-13	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-20	Mon	Holiday: Martin Luther King Day	
2	Jan-27	Mon	Equity Research Industry and Competitive Position Corporate Valuation Methods and Exercises	Lecture Notes
3	Feb-3	Mon	Equity Research Corporate Valuation Methods and Exercises Excel based DFCF Case Study	Lecture Notes
4	Feb-10	Mon	Presentation PowerPoint Methods Practice Pitches Financial Write-up Exercise	
	Feb-17	Mon	Holiday: Presidents Day	
5	Feb-24	Mon	Equity price sensitivity analysis Cost of capital Midterm Review	
6	Mar-2	Mon	Student Equity Research and Recommendation Pitches	PowerPoint, Excel and Executive Summary Due Date
7	Mar-9	Mon	Midterm Exam	
	Mar-16	Mon	Vacation: Spring Break	
8	Mar-23	Mon	Financial Statement Analysis Case Study	Lecture Notes
9	Mar-30	Mon	Financial Policy Analysis Comparing US versus Asia	Lecture Notes
10	Apr-6	Mon	Financial Policy Analysis Case study on Optimizing Financial Policies	Lecture Notes
11	Apr-13	Mon	Debt Markets: Rates, Credit, Duration, Bond Pricing	
12	Apr-20	Mon	Derivative Markets, Foreign Exchange. Hedging and Alternative Asset Investing	Financial Policies Consulting Report Due Date
13	Apr-27	Mon	Commercial Real Estate Markets, Valuation and Financing. Case Study on Retail Mall	
14	May-4	Mon	Guest Lecturers TBD Final Exam Review	
15	May-11	Mon	Final Exam: 6:00 to 8:45pm	Covers material since Midterm

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