BS0851: Corporate Finance Online

MODULE OUTLINE

The module is comprised of 10 self-guided sessions, which will cover the below subjects:

1. Introduction to Finance
2. Bond and Money Markets
3. Equity Markets
4. Valuation of the Firm
5. History of Equity Markets
6. Portfolio Allocation
7. The Cost of Capital
8. Capital Structure
9. Risk Management I
10. Risk Management II

MODULE AIMS

Financial markets
- Give an overview of the two key financial instruments: Stocks and Bonds
- Introduce the key derivatives markets: Futures and Options

The risk-return trade-off and the pricing of market risk
- Introduce the concepts of risk and return in financial markets and how diversification influences risk and return
- Show how return is related to risk through the Capital Asset Pricing Model

Corporate finance
- Extend understanding on company valuation and investment appraisal
- Introduce the concept of the cost of capital and how it can be calculated.
- Show how companies are financed and how to decide between different sources of finance.
- Why and how companies should manage financial risk.

Finance in practise
- Most sessions will include a discussion/case study to illustrate how the lecture material is relevant to current financial trends and issues

LEARNING OUTCOMES

By the end of the module students will be able to:
- Understand the role of markets in transferring capital and risk between participants.
Understand how the principle securities traded in the market are priced
Understand investors' risk-reward trade off.
Understand how firms can source capital as cheaply as possible in the financial markets
Apply these ideas to new financial problems.

READING LIST

Core:

Background Reading
- The Money Machine, Phillip Coggan

For Interest Only
- Capital Ideas Evolving, Peter Bernstein
- When Genius Failed: The Rise and Fall of Long Term Capital Management Roger, Lowenstein
- Liar's Poker, Michael Lewis

THE HUB

Our bespoke, state-of-the-art online learning platform, The Hub, is revolutionising the online learning experience. It is simple to use and provides you with convenient access to all module materials and connects you with your peers and tutors. You'll have access to a variety of interactive learning activities such as video content, live sessions, discussions, polls, and case studies, all of which are designed to enhance your overall learning experience.

ASSESSMENT

- 70% Exam
- 30% Coursework