COURSE MATERIALS

McGraw-Hill: Investment Banking
Scoopbooks; Investment Banking, Mergers & Acquisitions, Corporate Finance
By Jerilyn J. Castillo and Peter J. McAniff

Recommended:- Wall Street Journal and other financial publications.

Requirements:

The textbooks are mandatory reading. You will be tested on material appearing in assigned chapters in this textbook, even though some of this material is not covered in the class. You will be also tested on material outside of the textbook that has been covered in class including assignment readings. There will be a midterm and a final exam. While the final exam is not cumulative, the material builds on itself as the course progresses. Sixty-five percent of your course grade will be based on your exam grades (1/2 midterm, 1/2 final).Thirty percent of your course grade will be based on a group case and analysis of questions for each case. Your group must turn in an analysis of questions for each case. In addition, each group will present part of their analysis to the rest of the class during the semester. The main purpose of the case study is for the student to learn how to apply theoretical financial concepts to real problems that corporations have faced. All case assignments must be typed and no more than five pages in length. I will consider attendance, class participation and homework assignments for five percent of your grade. Class starts at 9 AM, try not to be late, it will effect your grade.

I am a firm believer in the group project format because it is how successful corporations operate. It is important that you work hard as a team. Each student is responsible for efforts to motivate other group members to do their part. Each group member will rate other members’ performance in terms of their contribution to the group’s end result. We will have guest speakers from different financial institutions during the semester.

All cell phones, pagers, etc. must be turned off during class. You will need a financial calculator (You can't use your cell phone or computer during exams)

Investment Banking: The course covers the effective integration of financial theory and practice. It will explore the rapidly evolving theory of finance as it relates to a corporation's investment in assets and finance. Financial analysis and reasoning will be applied to problems faced by management. Some of the topics covered will include:
*Use of computer models in Financial analysis

*Mergers and Acquisitions
  + Strategic Transactions and Analysis (Multiples and Cash flow based methods)
  + Comparable Company and Transaction analysis
  + Discount Cash Flow and leverage Buyout analysis
  + Breakup analysis
  + Buy and Sell side concerns
  + Deal Process
  + Acquisition Currency and Taxes
  + Corporate Defense--State statutes, Public relations, and Poison Pills

*Corporate Finance
  + Review of Basics (IRR, NPV, Financial Statements and Ratio, etc.)
  + Advisory and Raising Capital
  + Sources of Capital
  + Recent changes to SEC rules
  + Public and Private Capital
  + Financial Sponsors
  + Private Companies

*Leasing
  + Taxes and FASB 13
  + Cross Border transactions

*Project Finance
*The Art of Negotiating (The process of negotiations is both important personally and for business)
We will cover Win/Win and Win/Loss

The Three elements of negotiations will be covered (Power, Time and Information)

* Securities Industry
* Management leadership skills

We will have an outside speaker (LTC Richard B. Gussenhoven, U.S. Army)

* Dividends and other payouts

What do BOD use to make decisions

* Options and other Derivatives/ Hedging Risk
* Warrants/Convertibles
* International Corporate Finance/ Foreign Exchange Markets and Transactions
* Financial Distress and Restructuring

Liquidation and Reorganization

Z score

Dip loans

* Financial Leverage/ Capital Structure Policy
* Economic Value Added (EVA) & Market Value Added (MVA)
* Today’s Financial Policies and Products