

Course Syllabus

FN 428: INVESTMENT BANKING

Semester 2/2020 (January 20 - May 19, 2021)

Instructor: Dr. Worapong Janyangyuen
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Class Time and Venue:

Date: Thursday
Time: 14:00 – 17:00
Venue: Google Classroom

Course Objectives and Course Description

The course includes a study of investment banking business. The course will emphasize on methods for value maximization, valuation for mergers and acquisitions, and business reorganizations and other topics. The course covers a variety of investment banking activities such as debt restructuring, initial public offering, privatization, debt issuance and venture capital. This course is designed primarily to enhance your understanding of the process and responsibility of the investment banking. It introduces students to the world of investment banking and provides an idea on what the main functions of investment banking are. These include external fund raising through debt and equity capital, financial advisory service for corporate and debt restructuring, consultancy on privatization, merger and acquisition and venture capitalist valuation. The class enables students to learn from theories of capital structure through the utilization of the theory on the real company case. Through various rich examples and practice problems as well as the workshop, students are expected to learn what the investment bankers are doing.

After you complete the course, you are expected:

1. To understand the basic functions performed by the investment bankers
2. To master the use of the computer spreadsheet in financial modeling
3. To be able to create long-term financial plan, monitor and adjust the assumption and the plan to suit the rapidly changing situation
4. To be able to conduct valuation of the company and its stock
5. To understand the mechanism of venture capitalists and their valuation
6. To understand the step in fund raising through IPOs
7. To understand the step in fund raising through debentures
8. To understand the process in corporate and debt restructuring and rationale behind the corporate and debt restructuring
9. To understand the process in REITs
10. To understand the process in merger and acquisition

Please note here that the course assumes solid financial accounting and thorough understanding of financial statements. It is mandatory that you read the material before the beginning of the class and be prepared for the class discussion for every single class. All cases are prepared for you to understand and use your strategic thinking to identify problems, causes of problems and solutions to the problems. Please make sure you read the case before attending every class. You are also expected to contribute to enhance the learning of the class through active participation in case discussion and negotiation on a regular basis.

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Course Schedule

Session	Topics
1	Overview of Investment Banking and the Role of Investment bankers
2	Understanding the financial statement and Building the financial model that works
3	Exercises on financial modeling
4	Business valuation and stock valuation Quiz 1
5	Exercises on valuation
6	Understanding the mechanism of venture capitalists and their valuation
7	Capital Structure Theory and its firm decision: Fund raising through debt and equity capital Case presentation Case study 1 Due
8	Capital Structure Theory and its firm decision: Fund raising through debt and equity capital Quiz 2
9	IPOs and mechanism of Thai stock market
10	Bond issuance and underwriting
11	Merger and Acquisition Quiz 3
12	Merger and Acquisition
13	REITS Case discussion Case study 2 due
14	Debt restructuring Quiz 4
15	Project due Project presentation
	Final Exam

Midterm Exam: **Tuesday, March 16, 2021: 15.00 - 17.00 hrs.**

Final Exam: **Thursday, May 27, 2021: 09.00 - 12.00 hrs.**

Pre-Requisite

Financial Management, Corporate Finance and Investment

Pedagogy

The course consists of a blend between lecture, cases discussion, financial modeling workshop using MS Excel and project

Grading

1. Case Study presentation	20	Percent
2. Quizzes	40	Percent
3. Final Exam	20	Percent
4. Project	20	Percent

Required Textbook

- ◆ Damodaran Aswath, Applied Corporate Finance (ACF), John Wiley and Sons, Latest edition
- ◆ Additional handouts

References and Recommended Readings:

- ◆ Brealey, Richard A. and Myer, Steward C. "Principles of Corporate Finance", 5th Edition, McGraw-Hill, 1996
- ◆ Brigham, Eugene F. and Gapenski, Louis C. "Financial Management", 9th Edition, Harcourt College Publishers (2001)
- ◆ Brigham, Eugene F. and Houston, Joel F. "Fundamental of Financial Management", 9th Edition, Harcourt College Publishers (2001)
- ◆ Bygrave, William D. "The Portable MBA in Entrepreneurship Case Studies", John Wiley & Sons, Inc.
- ◆ Damodaran, Aswath "Investment Valuation", University Edition, John Wiley & Sons, Inc.
- ◆ "Readings in Venture Capital", Association for Investment Management and Research
- ◆ Gompers Paul A., Sahlman William A. "Entrepreneurial Finance", John Wiley & Sons, Inc.
- ◆ Keown, Arthur J., Taylor, A.H., Martin, John D. and Petty, J. William "Basic Financial Management", 7th Edition , Prentice Hall, 1996
- ◆ Lee, Cheng F., Finnerty, Joseph E. and Norton, Edgar A.. "Foundation of Financial Management", West (1997)
- ◆ M. Glasgo, Phillip W., William J. Landes and A. Frank Thompson "Bank Discount, Coupon Equivalent and Compound Yields", Financial Management, Autumn 1982, 82-84
- ◆ Philip J. Adelman and Alan M. Marks, "Entrepreneurial Finance - Finance for small business 2nd Edition, Prentice Hall, 2001
- ◆ Ross, Stephen A., Westerfield, R.W. and Jordan, B.D., "Principles of Corporate Finance", Irwin, 1991
- ◆ Sherrerd, Katrina F. "Equity Markets and Valuation Methods", CFA program Edition, The Institute of Chartered Financial Analysts
- ◆ Smith, Janet Kiholm and Smith Richard L. "Entrepreneurial Finance", John Wiley & Sons, Inc.
- ◆ White, Gerald L., Sondhi, Ashwinpaul C. and Fried, Dov "The Analysis and Use of Financial Statements", CFA program Edition, John Wiley & Sons, Inc.

ACADEMIC CALENDAR & HOLIDAY

Semester 2/2020

(January 20 – May 19, 2021)

Activities	Time Period
Classes Begin	January 20, 2021
Add-drop period	January 25 - 29, 2021
Tuition payment period	January 30 - February 2, 2021
<i>Makha Bucha Day*</i>	<i>February 26, 2021</i>
Mid-term Examination Period	March 10 - 16, 2021
Withdrawal period with "W" on record	March 24 - May 6, 2021
<i>Chakri Memorial Day*</i>	<i>April 6, 2021</i>
<i>Songkran Day Festival*</i>	<i>April 12 - 18, 2021</i>
<i>Substitution for Visakha Bucha Day*</i>	<i>April 26, 2021</i>
<i>Coronation Day*</i>	<i>May 4, 2021</i>
<i>Royal Ploughing Ceremony Day*</i>	<i>May 11, 2021</i>
Last day of class	Wed, May 19, 2021
Final exam period	May 20 - June 5, 2021
<i>Visakha Bucha Day*</i>	<i>May 26, 2021</i>
<i>Queen Suthida's Birthday*</i>	<i>June 3, 2021</i>

** Public Holiday, No classes during this period*