

**KING SAUD UNIVERSITY  
FINANCE DEPARTMENT  
FIN-362 SYLLABUS**

**Office Address/Contact Information:**

**Finance Department**

**Email: [Ndaghestani@ksu.edu.sa](mailto:Ndaghestani@ksu.edu.sa)**

**COURSE DESCRIPTION**

The main purpose of the course is to make the financial statement analysis and based on that compute the present value of future cash flows of the different financial assets like Equities, Preferred, and Bonds. For doing so the forecasting of future cash flows is done and the present value is computed to estimate the valuation of the said asset

**LEARNING OUTCOMES**

To understand the empirical and theoretical implications of the financial environment, valuation techniques and provide the core skills required by modern portfolio managers at the end of this course students should be able to:

- Describe the effect of the financial environment on business valuation and explain the purpose of asset evaluation.
- Identify and appraise the valuation techniques
- Examine & estimate the value of assets and perform an internal and external business environment analysis for real investment decisions.
- Effectively communicate and develop their team skills

**RECOMMENDED MATERIALS**

Required Textbook: Essentials of Investments, 11th Edition by Zvi Bodie and Publisher McGraw-Hill Higher Education (ISBN: 1260201295/ 9781260288391)

**Engagement:**

Engagement will be assessed based on student lecture attendance, discussion, and participation as well as the time spent on LMS and Connect portals. Also appropriate behavior is required.

**Homework & SmartBook Assignment:**

HW assignments are drawn from the problems at the end of each textbook chapter and practice problems. You should correctly answer each question prior to the posted due date. You have unlimited number of attempts to do the assignment and we will pick the best score for each HW assignment for grading.

The SB assignments will be given after each chapter completion in the lecture with a submission deadline. There is no extension in the deadlines so you are strongly suggested to submit right in time. The SB Exercises will appear in your LMS (Blackboard) through the McGraw-Hill Connect Portal. You are supposed to appear the SB Exercises through your LMS.

**Exams:**

There will be three exams: 2 midterms and a final. The midterm exam will cover the material up to that day. The final exam will be comprehensive. No makeup exams will be allowed. The questions on the exams will cover the readings from the textbook and the lecture notes.

## **CHAPTERS TO BE COVERED**

WEEK	CHAPTER	DESCRIPTION
1 & 2	1	Investments: Background and Issues
3 & 4	6	Efficient Diversification
5 & 6	7	Capital Asset Pricing and Arbitrage Pricing Theory
7 & 8	14	Financial Statement Analysis
9 & 10	12	Macroeconomic and Industry Analysis
11 & 12	13	Equity Valuation
13 & 14	9	Behavioral Finance and Technical Analysis
15 & 16	19	Bond Prices and Yields

## **EVALUATION**

Engagement	3%
HomeWorks & Smart Book Assignments	10%
Project	7%
Midterm Exams	40%
Final exam	40%
Total	100%

## **Quizzes and Midterms Dates:**

	Date	Chapters
Mid 1	3/3/2022	1&2&3
Mid 2	14/4/2022	14&12&13

**\*This syllabus is subject to change. Changes, if any, will be announced in class. Students will be held responsible for all changes**