

## FNCE 3415 Spring 2021 Course Schedule

Date	Topic	Homework assignments (due at 8am)
Jan 12 (Tue)	<p>Review of Fundamentals of Finance</p> <p>– Key concepts: time value of money, annuity, perpetuity, bond valuation, stock valuation, estimating free cash flows, risk and return, cost of capital</p>	Review notes from FNCE 3400 on these topics.
Jan 14 (Thu)	<p>Reading and interpreting financial statements.</p> <p>Link between the “big three” financial statements.</p>	HW 1
Jan 19 (Tue)	Build 3 financial statements for a simple business	HW 2
Jan 21 (Thu)	<p>Overview of financial reports</p> <p>Mortgage calculator</p> <p>In-class exercise: find EBIT/EBITDA</p>	HW 3
Jan 26 (Tue)	<p>Walk through a cash flow statement.</p> <p>Extracting “good news” and “bad news” from a cash flow statement.</p>	HW 4
Jan 28 (Thu)	<p>Basic Excel modeling and formatting principles. Excel key board shortcuts.</p> <p>Building a bond price model.</p>	HW 5
Feb 2 (Tue)	<p>Advanced Excel setup.</p> <p>Custom formatting. Dynamic headers.</p> <p>Countif Averageif Sumif, Pivot Table</p>	HW 6
Feb 4 (Thu)	Final project instructions and examples. Pull data for final project companies from Mergent Online. Clean up the data.	
Feb 9 (Tue)	Vertical and horizontal analysis.	HW 7
Feb 11 (Thu)	<p>Financial ratios analysis.</p> <p>Du Pont decomposition.</p> <p>In-class exercise: “Ratios tell a story”</p>	HW 8
Feb 16 (Tue)	Valuation overview - Industry research and company research	HW 9

Feb 18 (Thu)	Forecasting free cash flows (part 1)	HW 10
Feb 23 (Tue)	Forecasting free cash flows (part 2)	HW 11
Feb 25 (Thu)	Terminal value, enterprise value, net debt, and equity value	HW 12
Mar 2 (Tue)	<i>Spring break</i>	
Mar 4 (Thu)	<i>Spring break</i>	
Mar 9 (Tue)	Diluted shares outstanding	HW 13
Mar 11 (Thu)	Midterm review	
Mar 16 (Tue)	<b>Midterm exam</b>	
Mar 18 (Thu)	Estimating the discount rate (WACC calculation) Weight of debt and equity Cost of debt and cost of equity using CAPM	HW 14
Mar 23 (Tue)	Regression beta Industry betas – levered and unlevered betas Cost of equity using the CAPM. Finalize WACC	HW 15
Mar 25 (Thu)	Valuation drivers - Sensitivity analysis How to build data tables.	HW 16
Mar 30 (Tue)	Valuation with multiples – Public comps. What are the steps? How to select comps?	HW 17
Apr 1 (Thu)	<i>Easter holiday – no class</i>	
Apr 6 (Tue)	Public comps – Practical implementation: How to compute multiples? How to calculate LTM numbers?	HW 18
Apr 8 (Thu)	Interpreting the multiples – what are the main drivers? Developing a conclusion.	HW 19
Apr 13 (Tue)	How to build a football field valuation chart.	HW 20
Apr 15 (Thu)	Overview of presentations and final project reports	
Apr 20 (Tue)	<i>No class</i> Work on your presentation and final reports	

---

Apr 22 (Thu)	Final project presentations.	
Apr 27 (Tue)	Final project presentations.	
Apr 29 (Thu)	Final project presentations.	
<b>May 2 (Sun)</b>	<b>Final project reports due at 5pm – Electronic copy on Brightspace</b>	
May 2 (Sun)	Final exam review (voluntary)	
<b>May 4 (Tue)</b>	<b>Final Exam (8am-10am) Section 1</b>	<a href="https://lmula.zoom.us/j/81382360674">https://lmula.zoom.us/j/81382360674</a>
<b>May 6 (Thu)</b>	<b>Final Exam (8am-10am) Section 2</b>	<a href="https://lmula.zoom.us/j/89224725510">https://lmula.zoom.us/j/89224725510</a>

---

15 min oral exams to be scheduled during finals week after your final

---

---