



**MSFE**

**Preparatory Finance Course  
2017**

Monday, August 14 – Friday, August 18, 2017  
9:00AM-2:20PM; BIF Room 3003

Instructor: Martin Widdicks  
(Co-Designer of FIN 500, Director of MSF Program &  
Voted best Professor on the MSF Program in 2014 and 2015)  
330 Wohlers Hall

Cost: \$950 (Prepay via QuikPAY)

**Course Description:** The Finance Bootcamp consists of fourteen 80 minute classes combining lectures, worked examples, in class examples and discussion. The class is designed for students with no or limited exposure to fundamental areas of Finance such as: financial statements, bonds and interest rates, equity and equity valuation, capital structure and corporate finance. The class also serves as a preparation for FIN 500: Introduction to Finance which you will study in the Fall semester. Many past students have found the Finance Bootcamp to be a very helpful introduction to their studies on the MSFE.

**Course Overview**

**Day 1:** Income Statement and balance sheet; cash flows and accruals

**Day 1:** Detailed examination of a set of financial statements

**Day 2:** Commonly used financial ratios

**Day 3:** Interest rate mechanics: compounding, present value, future value, annuity formulas

**Day 3:** Zero-coupon rates, forward rates, yield to maturity, par yield; ordinary note/bond as a portfolio of zero-coupon bonds

**Day 4:** Introduction to the principal USD fixed income markets (U.S. Treasuries, corporate bonds, interbank market (LIBOR), commercial paper); compounding and quotation conventions in the various markets

**Day 4:** Equity valuation (dividend discount models, including the Gordon growth model)

**Day 4:** Corporate objectives and the net present value rule

**Day 5:** Modigliani-Miller theory and the weighted-average cost of capital

**Day 5:** Project evaluation