



Hankuk University of Foreign Studies

2022 Summer Session

FIN 375 Financial Modeling

Course Outline

Course Code: FIN 375

Instructor: Dr. Michael J. Petersen

Home Institution: North Dakota State University

Office Hours: By appointment

Email: Michael.j.petersen@ndsu.edu

Credit: 4

Class Hours:

This course will have 52 class hours, including 32 lecture hours, professor 8 office hours, 8-hour TA discussion sessions, 4-hour review sessions.

I. Course Description

The objective of Financial Modeling is to present you with the basic theory and practice of financial management and investments using Excel as a tool to build financial models that can aid in decision-making.

This course will (1) reinforce and strengthen your understanding of the basic concepts in financial modeling and investing, including time value of money, capital budgeting, asset pricing, cost of capital, cash flow modeling, and portfolio construction, and (2) teach you how to use Excel to organize information and perform useful calculations quickly while minimizing mistakes.

A. After successfully completing Financial Modeling you should be able to:

1. Use Excel efficiently in a variety of settings.
2. Estimate future cash flows and calculate various capital budgeting measures.
3. Understand how to use conditional and lookup functions appropriately.
4. Price various assets, and calculate an appropriate cost of capital.
5. Use Solver to maximize an objective function with a set of constraints..

Required Textbooks and Software:



Financial Analysis with Microsoft Excel 2019, 9th Edition, Timothy R. Mayes, 978-0-357-44205-0

Microsoft Office: You will need a full desktop version of Excel to complete the class.

Grading System (1 ~ 100)

The final score will be scaled and the scaled score will be used to assign a Course grade.

- A+ : 95 - 100 A : 94 – 90
- B+ : 89 - 85 B : 84 – 80
- C+ : 79 - 75 C : 74 – 70
- D+ : 69 - 65 D : 64 – 60
- F : Fail

Course Assignments:

Homework: There will be 8 homework assignments due, covering basic exercises from the material.

Quizzes: There will be 2 quizzes to cover key terms and concepts from the chapters.

Projects: There will be 4 projects, creating Excel files using material from multiple chapters.

Exams: There will be 2 exams for the course. They will be a mix of multiple choice questions and essays.

Course Grades:

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|----------------------------|----------------|
| Homework (8 @ 10 pts each) | 80 pts |
| Quizzes (2 @ 50 pts each) | 100 pts |
| Projects (4 @ 30 pts each) | 120 pts |
| Exams (2 @ 100 pts each) | <u>200 pts</u> |
| Total | 500 pts |

Course Schedule:

| Day | Chapter and Topic | Assignment |
|--------------|-----------------------------------|------------|
| Week 1 Day 1 | Ch 1 Introduction to Excel | |
| Week 1 Day 2 | Ch 2 Basic Financial Statements | HW #1 Due |
| Week 1 Day 3 | Ch 3 Financial Statement Analysis | |



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|--------------|---|----------------|
| | Tools | |
| Week 1 Day 4 | Ch 4 The Cash Budget | HW #2 Due |
| Week 1 Day 5 | Quiz #1 Project Workday | Project #1 Due |
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| Week 2 Day 1 | Ch 5 Financial Statement Forecasting | |
| Week 2 Day 2 | Ch 6 Forecasting Sales With Time Series Methods | HW #3 Due |
| Week 2 Day 3 | Ch 7 Break-even and Leverage Analysis | |
| Week 2 Day 4 | Ch 8 The Time Value of Money | HW #4 Due |
| Week 2 Day 5 | Midterm Exam Project Workday | Project #2 Due |
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| Week 3 Day 1 | Ch 9 Common Stock Valuation | |
| Week 3 Day 2 | Ch 10 Bond Valuation | HW #5 Due |
| Week 3 Day 3 | Ch 11 The Cost of Capital | |
| Week 3 Day 4 | Ch 12 Capital Budgeting | HW #6 Due |
| Week 3 Day 5 | Quiz #2 Project Workday | Project #3 Due |
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| Week 4 Day 1 | Ch 13 Risk and Capital Budgeting | |
| Week 4 Day 2 | Ch 14 Portfolio Statistics and Diversification | HW #7 Due |
| Week 4 Day 3 | Ch 15 Writing User-Defined Functions With VBA | |
| Week 4 Day 4 | Ch 16 Analyzing Datasets With Tables and Pivot Tables | HW #8 Due |
| Week 4 Day 5 | Final Exam Project Workday | Project #4 Due |

All assignments are due by midnight on the day assigned.