

MASTER OF FINANCE (MFIN)

MFIN 5500 Microeconomics and Business Strategy

3 credit hours

The objective of this course is to provide students with the microeconomic analytical tools applied in managerial decision-making under constraints and uncertainty. The focus will be on the theory of consumer behavior and demand, theory of production and cost in both the short run and long run behavior of the firm, and the appropriate firm pricing strategy under different market structures.

MFIN 5501 Macroeconomics and Public Policy

3 credit hours

The course examines the operations of the macroeconomy in the short and long run, and discusses the macroeconomic functions of the public sector in a market economy. Special attention will be given to the interaction between domestic and international asset markets (including the market for foreign exchange) and the market for goods and services, and to the role of fiscal and monetary tools that can be employed by public policy makers to affect overall economic activity and to influence the operation of business organizations in a global economy.

MFIN 5540 Financial Reporting & Analysis

3 credit hours

Financial Accounting provides an introduction to reporting to parties external to the organization. Using a conceptual approach, the course gives a thorough understanding of financial reporting concepts, principles and practices and how to interpret and analyze financial statements. An appreciation of the limitations inherent in published financial reports is provided throughout the course. This course is intended to provide the prerequisite knowledge and skill set for a second course, Financial Statement Analysis.

MFIN 6603 Applied Statistics and Data Analysis

3 credit hours

The objective of the course is to provide the student with an in-depth understanding of the most useful applied statistical techniques used in data analysis. Emphasis will be on designing, conducting, analyzing, and interpreting the results of research designs. Topics include a review of statistical inference, basic ideas of linear regression, multiple regression analysis, functional forms of regression models, and several practical aspects of the linear regression model. Extensive use is made of computer-oriented statistical packages.

MFIN 6609 Econometrics and Business Forecasting

3 credit hours

The objective of this course is to provide students with a solid working knowledge of the theory and practice of econometric modeling and forecasting. The focus will be on selected topics in econometrics (with emphasis on newer developments) and on the most commonly forecasting methods (such as exponential smoothing, time series decomposition, and AIRMA-type forecasting models) that may usefully be applied in a real world setting to forecast financial as well as non-financial economic variables.

MFIN 6641 Financial Statement Analysis

3 credit hours

The course examines financial statements from the perspective of both preparers and users of financial information. The course begins with the conceptual framework underlying the reporting process and proceeds to a structured analysis of the basic financial statements: The income statement, the balance sheet and the statement of cash flows. Here, the supply side (the various models of information production) will be emphasized. The course then shifts to the demand side of the financial information, where the focus is on the myriad mechanisms of information extraction. Modern techniques such as multiples and forecasting are used to establish a functional relationship between the accrual process and the economic position of a firm. The course will focus on the valuation approach: The informed use of accounting numbers in projecting cash flows and determining fundamental security values. The student will appreciate the judicious use of accrual accounting in all facets of financial decision-making.

MFIN 6663 Financial Management

3 credit hours

This course provides an introduction to financial management and the role of finance, both within the organization and the economy as a whole, with emphasis on financial decision-making. Managerial in emphasis, this course examines financial planning and analysis, working capital management, capital budget techniques, and theories of cost of capital, portfolio theory and valuation of the firm. Other topics considered include investment decisions and subsequent financing such as leverage and capital structure of the firm, and dividend policy. This course is intended to provide the prerequisite knowledge and skill set for a second course, Corporate Finance.

MFIN 6664 Corporate Finance

3 credit hours

This course will examine contemporary financial theories and their applications in formulating corporate policies in major areas such as asset allocation, i.e., which capital investments to undertake, how to finance them, i.e., capital structure and dividend policy management and corporate restructuring. Case studies and problems will be used to facilitate the understanding of how financial theories can be applied in practice. The course objectives: students (i) will acquire knowledge and understanding of the concepts and mainstream theories in corporate finance including recent developments in the area; (ii) will be able to evaluate the strengths and limitations of up-to-date theories and practices in corporate finance; (iii) will be able to apply financial theories in corporate financial management and policy making. In summary, this course is designed to develop skills found in competent financial managers.

MFIN 6666 Investments

3 credit hours

Both qualitative and quantitative treatments of risks and returns associated with investments in the Canadian market are discussed. Topics include: sources of financial information, market indicators, market transactions, margin trading risk aversion, expected utility, risk and return analysis, CAPM, single- and multi-index, models and APT, market efficiency, fixed income, equity securities, derivatives, portfolio management and ethics of investing.

MFIN 6667 Future & Options

3 credit hours

This course is intended to help students understand derivatives, with emphasis on options and futures. It provides a detailed introduction to the markets, characteristics, applications, and valuations of various futures and options. Topics covered include commodity futures, stock market index futures, interest rate futures, foreign currency futures, stock options, stock market index options, interest rate option, currency options, options on futures, and some exotic options. The binomial option pricing model and Black-Scholes option pricing model are covered, including the stochastic processes underlying the Black-Scholes model and derivation of the model. The course will be delivered in forms of lectures and lab work. While the lectures will introduce the theories, models, and principles, the lab work will expose students to real derivative markets, and help students use financial market databases and option pricing and analysis software.

MFIN 6669 Risk Management

3 credit hours

This course introduces students to a very important area: risk management. It will firstly provide an overview of risk management, including the institutional issues, and the concept of firm-wide risk management. Then, various tools and methodologies of risk management will be explored, with focus on using derivatives. It will discuss the management of some major types of risks such as market risk, interest rate risk, currency risk, credit risk, and so on. In addition to lectures, several cases will be studied.

MFIN 6670 Fixed Income Securities Analysis

3 credit hours

This course provides a detailed analysis of the bond and money markets and the instruments available therein. Although the emphasis is on North American securities, global portfolios are also examined. Bond valuation and bond portfolio management strategies – duration and convexity – are covered in depth. Treasury securities and STRIPS, corporate bonds, municipal bonds, term structure of interest rates, mortgage market – mortgage backed securities and CMO's, bonds with embedded options, and interest rate risk management and swaps are addressed. This course serves as a basis for the Financial Analysts Program.

MFIN 6671 Financial Markets and Institutions

3 credit hours

This course will deal with the structure and function of Canadian financial institutions such as: banks, brokers and investment banks, insurance companies and mutual funds. The role of each type of institutions in the economy will be discussed as well as regulation of the industry. The main emphasis of the course will be on the institutions as businesses; their profit and risk structure.

MFIN 6672 Applied Portfolio Management

3 credit hours

Students will analyze the decision-making process of portfolio managers including the aggregate stock market. Different types of investment funds (both active and passive), their objectives, performance evaluation and attribution analysis, bond portfolio analysis, interest rate risk management, and conflicts of interest will be discussed.

MFIN 6676 International Business Financing and Banking

3 credit hours

This course is organized around two themes – (i) the concept of multinational firm and the financial management decisions it takes in a multi-currency world and (ii) the challenges faced in the international banking system of asset/liability management, off shore financial centers, external debt and rescheduling and increased regulatory and supervisory measures.

MFIN 6690 Special Topics and Empirical Research Methods in Finance

3 credit hours

Students apply statistical model building to topics, such as market efficiency, performance evaluation techniques, performance decomposition (market timing, selectivity and asset allocation), and option combinations. Analysis of an IPO under pricing and performance persistence measures is also covered.

MFIN 6691 Investment Banking

3 credit hours

Prerequisite: MFIN 6671, MFIN 6676

This course provides an overview of the world of banking and the interplay of financial regulations, politics, globalization, technology and innovations. Topics include debt and equity financing, corporate mergers and acquisitions, investment banking, private equity funds, sovereign wealth funds and hedge fund activism.

MFIN 6692 Management Research Project

6 credit hours

This course builds on tools needed to carry out successful empirical research in functional areas of finance, namely corporate, derivatives, investments and portfolio management. Topics include market efficiency, extensions to single and multiple-index models, performance evaluation models and decomposition of relative performance, performance persistence measurements, and evaluation of IPO's underpricing, an evaluation of boundary conditions for option strategies and pricing models and special issues in behavioral finance.

Note: Under special circumstances and with the approval of the MFIN Director, students may be permitted to replace MFIN 6666 and MFIN 6691 with MFIN 6692.