AEM 4620: Technology and Financial Markets

Fall 2011
M 2:55pm – 4:10pm, 112 Mann Library

Instructor
Dr. Vicki Bogan
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Course Web Page: www.blackboard.cornell.edu

Bloomberg Advisor
Jaron Porciello
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Office Hours: Thursdays 3:00pm – 5:00pm

Teaching Assistant
Christopher Nieves
E-mail: cdn25@cornell.edu
Office Hours: Mondays 4:10pm – 6:00pm in 112 Mann Library

Course Description: This course focuses on issues involving technology and financial markets. The lectures and labs will teach students to apply their theoretical finance knowledge in real world situations for the purpose of optimizing their future job performance and increase their marketability. Lectures will focus on financial modeling and explore topics on the effects of technology on financial markets. The lab component of the course will require students to complete the 10 hour, self-paced Bloomberg "certification process".

Course Goal: My goal with this course is to equip future finance professionals with the knowledge of key finance systems (Bloomberg), skills, and technologies.

Course Prerequisites: AEM 3240 plus one 4000-level AEM finance course.

Required Readings: 1) Selected Chapters from *Financial Modeling* by S. Benninga, 2) Selected Chapters from *Financial Analysis with Microsoft Excel* (5th Edition) by Mayes & Shank. Copies of both books have been placed on reserve in Mann Library.

Course Requirements:

Final (cumulative)	20%
Lab	35%
Homework Assignments	35%
Class Participation	10%

Grading: The grading option for this course is S/U only. In order to receive an S, you must earn 75% or better.

Exam: The final exam will be a take home exam due on December 7, 2011.

Lab: The lab requires completion of approximately 10 hours of the Bloomberg Essentials program. For this class, you will need to take the "Core Exam" and the **four** "Market Sector Exams". If you successfully complete the process, you will receive completion acknowledgements from Bloomberg. You must submit all of the required completion acknowledgements AND proof of completion of all exams.

If you fail the Core Exam you will receive no credit for the lab portion of your grade. You must pass ***at least one*** Market Sector exam or you will receive no credit for the lab portion of your grade.

Special Section: On September 12, 2011 there will be a special mandatory section from 4:10pm to 5:10pm in Mann 112. This section will cover how to build macros and other VBA topics.

Homework: Late homework assignments will **NOT** be accepted. If homework is e-mailed, it must be received before the start of the class in which it is due**.** E-mail homework to Christopher Nieves: cdn25@cornell.edu. Homework answers will be posted on the course web page.

Learning Tea*ms*: You will be assigned to a learning team for the purpose of doing group assignments and cases in class.

Class Participation: The total class participation grade is comprised of two components: 1) participation in class discussions, and 2) attendance.

Academic Integrity: You are expected to adhere to Cornell's Code of Academic Integrity which can be found at: http://web.cornell.edu/UniversityFaculty/docs/AI.Acknow.pdf

Classroom Conduct Expectations: 1) Conduct yourself in a "professional manner", 2) Come to class on time, 3) Be prepared to participate, 4) No eating during class, 5) No side conversations when someone else has the floor.

E-mail Policy: I check student e-mails once per *weekday*. Make sure to put AEM 4620 in the subject line of the e-mail. E-mail is to be used for *short*, non-technical questions. Please be respectful when sending e-mail.

Special Student Needs: Any student with a documented physical or learning disability in need of accommodation should notify me at the beginning of the semester.

LECTURE SCHEDULE

(Subject to Change)

Date	Topic	Reading Due	Homework Due
Aug. 29, 2011	• Class Overview • The Basics of Excel		
Sept. 5, 2011	NO CLASS – LABOR DAY		
Sept. 12, 2011	• The Principles of Financial Modeling • Body Shop Assignment	MS: Ch. 1, 2 & 4 SB: Ch. 1, 35	
Sept. 19, 2011	• Financial Forecasting – Case: The Body Shop International	MS: Ch. 5; Case materials	HW 1 – Principles (includes Body Shop Assignment)
Sept. 26, 2011	• Equity Valuation • Equity Valuation Case Assignment	MS: Ch. 7 & 8	HW 2 – Financial Forecasting
Oct. 3, 2011	• Introduction to Bloomberg		HW 3 – Equity Valuation
Oct. 10, 2011	NO CLASS – FALL BREAK		
Oct. 17, 2011	• Bond Modeling	MS: Ch. 9 SB: Ch. 25	Print out of successful completion of Bloomberg Essentials "Core Exam" – part of lab grade
Oct. 24, 2011	• Equity Valuation Case: Guest Speaker – Scot Martin	**CLASS MEETS IN MANN 102**	HW 4 - Equity Valuation Case
Oct. 31, 2011	• Bond Modeling		
Nov. 7, 2011	• Bond Modeling Case		HW 5 – Bond Modeling
Nov. 14, 2011	• Derivatives		
Nov. 21, 2011	• Portfolio Management	MS: Ch. 13	HW 6 – Bloomberg Assignment
Nov. 28, 2011	• Course Wrap-Up		HW 7 – Portfolio Management Print out of successful completion of Bloomberg Essentials "Market Sector" exams – lab grade

MS – *Financial Analysis with Microsoft Excel* (5th Edition) by Mayes & Shank

SB – *Financial Modeling* by S. Benninga