

Course title:		Hungarian:		<b>Pénzügyi menedzsment</b>		Code:	TA-GSZT-AA04	
		English:		<b>Financial management</b>				
Institute:				Faculty of Economics and Business, Department of Accounting and Finance				
Prerequisites:				Introduction to finance		Code:		
Training type		Classes per week				Requirement	Credit	Language of instruction:
		Lecture(s)		Seminar(s)				
Full time	X	per week	2	per week	1	Essay and presentation	4	English
Correspondence		per semester	28	per semester	14			
Responsible instructor				name:	<b>Patrícia Becsky-Nagy, PhD</b>	post	<b>associate professor</b>	
Instructor				name:		post		
Course goals:								
In Financial management course PhD students get acquainted with the concepts of financial management, the financial processes of companies and the related analytical methods. Students meeting the requirements of the course are able to comprehend and evaluate the financial aspects of financial management decisions and their effects.								
<b>Course content , topics:</b>								
During the course Students get acquainted with the financial statements and the methods used to analyze them. Topics like time value calculations and the numerous investment decision methods are the fundamentals of long term financial decisions, determination of cost of capital, risk and return. The semester also includes the discussion of the most important securities; stocks and bonds.								
<b>Learning methods:</b>								
Students need to process the topics discussed on the lectures at home as well. The understanding of the topics is helped by various calculation based practical exercises. Students have access to various e-learning systems.								
<b>Assessment</b>								
The students should write a 20 000 character essay in the topic in connection with their own research field during the semester and make a short presentation at the end of the semester. Requirements of the signature:								
Grading:								
under 60%: 1								
60-70%: 2								
70-80%: 3								
80-90%: 4								
90-100%: 5								
<b>Compulsory readings:</b>								
Berk, J. – DeMarzo, P. – Harford, J. (2015): Fundamentals of Corporate Finance. Third edition, Pearson Education Limited, ISBN 10:1-292-01840-2 Titman, S. – Martin, J. D. – Keown [2010]: Financial Management: Principles and Applications, Eleventh Edition, Pearson Prentice Hall								
Topics of the lectures.								
<b>Recommended readings:</b>								
Block, B. S. - Hirt, G. A.: Foundations of Financial Management, Mcgraw-Hill/Irwin, 2001.								
Brayshaw, R. E.: The Concise Guide to Company Finance and its Management, Chapman&Hall, 1995.								
Brealey, R. A. - Myers, S. C. - Allen, F.: Principles of Corporate Finance, 2008.								
Brigham, E. F. - Ehrhardt, M. C.: Financial Management, Theory and Practice, Harcourt College Publishers, 2002.								
Miles, J. A. and Ezzel, J. R. The Weighted Average Cost of Capital, perfect Capital Markets and Project life: a clarification. Journal of Financial and Quantitative analysis (15): 719-730. Modigliani F. and Miller, M. H. The Cost of Capital, Corporate Finance and the Theory of Investment, American Economic Review, (48): 261-297, 1958								
Modigliani F. and Miller, M. H. Corporate Income Taxes and the Cost of Capital, American Economic Review, (53): 433-443, 196								
Ruback, R. S. Capital Cash Flows: A Simple Approach to Valuing Risky Cash Flows: Financial Management (Summer): 85-103.								
Schauten M. B. J. Three Discount Methods for Valuing Projects and the Required Return on Equity, 2011								
<b>Databases and other useful links:</b>								
Yahoo: <a href="http://finance.yahoo.com">http://finance.yahoo.com</a>								
BÉT: <a href="https://www.bse.hu/">https://www.bse.hu/</a>								
E-beszámoló: <a href="http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses">http://e-beszamolo.im.gov.hu/oldal/beszamolo_kereses</a>								
FRED: <a href="https://fred.stlouisfed.org/">https://fred.stlouisfed.org/</a> Damodaran: <a href="http://pages.stern.nyu.edu/~adamodar/">http://pages.stern.nyu.edu/~adamodar/</a>								

## Syllabus

Week	Topics
1.	Syllabus, Corporate finance and the financial manager LO: The Students get acquainted with the basic principle of financial management
2.	Financial statements, cash flow statement LO: The Students become familiar with the financial statements with special emphasis on the cash flow of companies.
3.	Introduction to financial statement analysis I. LO: The Students are able to use financial indicators in order to analyze various aspects of the operation of companies, e.g. liquidity, capital structure, profitability.
4.	Introduction to financial statement analysis II. LO: The Students are adept in reading financial statements and in the use of various financial indicators, including turnover ratios, cash-flow based ratios, market based indicators and the Du Pont identity.
5.	The time value of money: An introduction LO: Students know the basic principles and methods of time value calculations.
6.	Time value of money: valuing cash flow streams LO: Students are able to comprehend and value more complex cash flow streams, annuities, growing annuities and perpetuities.
7.	Interest rates and bonds LO: Students are familiar with the types and features of bonds. They are able to model the cash flows of bonds.
8.	Stock Valuation LO: Students are familiar with the types and features of stocks. They are able to model the cash flows of stocks.
9.	Investments decision rules I LO: Students become aware of the main factors needed to be taken into consideration while making investment decisions. NPV, IRR, PI method
10.	Fundamentals of capital budgeting LO: Students are familiar with the fundamentals of capital budgeting
11.	Summary LO: Students are able to synthesize the gained knowledge and think in the complex system of finance.
12.	Risk and return LO: Students are familiar with risk and return calculation methods
13.	Cost of capital LO: Student are familiar with cost of capital calculations
14.	Presentations

\*LO learning outcomes