

# Finance

In the era of a growing competitive global economy, finance has become increasingly important and complex. This has led to an expansion of career opportunities within corporations, investment firms, and financial institutions worldwide. These opportunities are varied and often overlap with other disciplines such as accounting, economics, marketing, and mathematics. It is also important that students engage in extracurricular activities that might complement their academic studies.

The domestic financial services industry has been at the forefront of global finance and will remain as one of our relative strengths within a global economy. Lehigh, in turn, enjoys a relative advantage in this regard as Lehigh alumni are well respected in all areas of finance. Our program has also been able to take advantage of our proximity to many financial institutions.

**Professors.** Paul Brockman, PhD (Louisiana State University); Stephen G. Buell, PhD (Lehigh University); Kathleen W. Hanley, PhD (University of Florida); Richard J. Kish, PhD (University of Florida); Matthew A. Melone, JD (University of Pennsylvania); George A. Nation, III, JD (Villanova University); Nandkumar Nayar, PhD (University of Iowa); Georgette C. Phillips, JD (Harvard Law School)

**Associate Professors.** Anne-Marie Anderson, PhD (University of Arizona); Steven McKay Price, PhD (Florida State University); Jesus M. Salas, PhD (University of Oklahoma); Stephen F. Thode, DBA (Indiana University Bloomington); Ke Yang, PhD (University of Iowa)

**Assistant Professors.** Michael B Imerman, PhD (Rutgers University); Ke Shen, MS (Northern Illinois U); Qianqian Yu, MS (University of British Columbia); Haibei Zhao, PhD (Georgia State University)

**Professors Of Practice.** Prasad Nanisetty, PhD (University of Michigan Ann Arbor); Vijay Singh, PhD (Ohio State University); Samuel C. Weaver, Ph.D., PhD (Lehigh University)

**Emeritus.** Carl R. Beidleman, PhD (University of Pennsylvania)

The finance major offered by the Perella Department of Finance requires at least 18 credit hours beyond the core requirements. Each finance major must successfully complete the 2-course foundation requirement; the 3-course depth requirement; and a minimum 2-course breadth requirement as outlined below.

## 2-Course Foundation Requirement

FIN 323	Investments	3
FIN 328	Corporate Financial Policy	3

## 3-Course Depth Requirement

Select three of the following: 9

FIN 324	Security Analysis and Portfolio Management
FIN 330	Financial Markets and Institutions
FIN 333	Global Finance
FIN 334	Derivatives and Management of Risk
FIN 335	Advanced Topics – Financial Management (Various Topics can be offered under this course listing)
FIN 336	Real Estate Finance ( Cannot be used as a depth requirement when following the Real Estate Track)
FIN 377	Advanced Topics--Investments (Various topics can be offered under this course listing)

## 2-Course Breadth Requirement

Select 2 breadth electives within one of the following six breadth tracks.\* 6-7

\*3 breadth electives for the Real Estate track.

### Track 1: Financial Analysis

ACCT 315	Intermediate Accounting I
ACCT 316	Intermediate Accounting II

### Track 2: Financial Marketing

MKT 312	Marketing Research
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MKT 319	Development and Marketing of New Products
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MKT 320	Global Marketing
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MKT/ECO 325	Consumer Insights through Data Analysis
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MKT 332	Sales Management
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### Track 3: Analytical Finance

ISE 316	Optimization Models and Applications
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ISE 339	Stochastic Models and Applications
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or MATH 310	Random Processes and Applications
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MATH 205	Linear Methods
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or MATH 242	Linear Algebra
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MATH 231	Probability and Statistics
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or MATH 309	Theory of Probability
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### Track 4: Financial Economics

ECO 209	Comparative Economic Systems
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or ECO 322	Competitor and Market Analysis
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or ECO 328	Electricity Economics
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or ECO 333	The Economics of Business Decisions
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or ECO 336	Business and Government
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or ECO 353	Public Economics
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ECO 203	Microfinance: Financial Inclusion for the Poor
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or ECO 303	Economic Development
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or ECO 339	International Trade
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or ECO 340	International Finance
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### Track 5: Real Estate (Must take all 3 courses)\*

FIN 336	Real Estate Finance
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IPRE 347	Practicum in Real Estate I
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IPRE 348	Practicum in Real Estate II
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### Track 6: Expanded Finance

FIN 324	Security Analysis and Portfolio Management
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FIN 330	Financial Markets and Institutions
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FIN 333	Global Finance
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FIN 334	Derivatives and Management of Risk
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FIN 335	Advanced Topics – Financial Management (various topics can be offered under this course listing)
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FIN 336	Real Estate Finance
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FIN 377	Advanced Topics--Investments (various topics can be offered under this course listing)
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**Total Credits** 21-22

## Undergraduate Courses

### For Advanced Undergraduates and Graduate Students

*Courses numbered 200 and above in the College of Business and Economics are open to sophomores only on petition.*

### Graduate Courses

Course descriptions for the College of Business and Economics graduate courses can be found under the heading of Business and Economics Graduate Courses.

### Courses

#### FIN 125 Introduction to Finance 3 Credits

An introductory finance course stressing the links between corporate finance and investments. Major topic areas will include financial statement analysis, time value of money, risk and return valuation of stocks and bonds, capital budgeting, and cost of capital.

**Prerequisites:** (ECO 129 or ECO 029 and ACCT 151) and (ECO 145 or ECO 045 or MATH 231 or ISE 111 or IE 111 or SR 111) and (MATH 021 or MATH 031 or MATH 076 or MATH 097 or MATH 081)

**FIN 273 Finance Internship I 1-3 Credits**

Based on a student's work experience, a sponsoring faculty member shall direct readings, projects, and other assignments—including a "capstone report." It should be noted that the work experience (at least 80 hours), by itself, is not the basis for academic credit. The faculty directed activity must be provided concurrent with the work. Course registration and related arrangements must be made in advance of the work engagement. This course must be taken Pass/Fail and cannot be used to satisfy finance major requirements. Declaration of a finance major. Consent of department required.

**Prerequisites:** (ECO 129 or ECO 029 and ACCT 151) and (ECO 145 or ECO 045 or MATH 231 or ISE 111 or IE 111 or SR 111) and (MATH 021 or MATH 031 or MATH 076 or MATH 097 or MATH 081)

**FIN 300 Apprentice Teaching 1-3 Credits**

**Repeat Status:** Course may be repeated.

**FIN 323 Investments 3 Credits**

The nature of risk and the form of returns on financial assets from the viewpoint of various constituents. Investor objectives, attitudes, and constraints are considered within the risk-return matrix within the context of valuation.

**Prerequisites:** FIN 125

**FIN 324 Security Analysis and Portfolio Management 3 Credits**

Valuation of equity and debt instruments factoring in the influence earnings forecasts and expectations, uncertainty, required returns, supply and demand for securities and funds, and investor attitudes. Portfolio management concepts include the implications of market factors, technical analysis, timing, and screening of securities.

**Prerequisites:** FIN 323 and FIN 328

**FIN 328 Corporate Financial Policy 3 Credits**

The study of management issues related to capital budgeting, working capital, leasing, mergers, and financing.

**Prerequisites:** FIN 125

**FIN 330 Financial Markets and Institutions 3 Credits**

Functions and portfolios of financial intermediaries. Sectional demand and supply of funds, nature and role of interest rates, term structure and forecasting, impact of inflation and regulation on financial intermediaries and markets, and current developments in the financial system. Management of assets and liabilities within the U.S. financial institution's legal and economic constraints.

**Prerequisites:** (FIN 323 and FIN 328)

**FIN 333 Global Finance 3 Credits**

Issues that underlie the investment, financing, and dividend decisions of multinational firms from both the buyer's and seller's viewpoints. Current transactions in foreign currencies, direct and portfolio investment and associated risk management when dealing in foreign countries.

**Prerequisites:** (FIN 328 and FIN 323)

**FIN 334 Derivatives and Management of Risk 3 Credits**

Theoretical and practical aspects of various instruments and markets that involve financial derivative instruments. Emphasis on the management of risk for corporate managers and portfolio managers.

**Prerequisites:** (FIN 323 and FIN 328)

**FIN 335 Advanced Topics – Financial Management 3 Credits**

Advanced topics relating to specific areas of corporate finance such as: bond refunding, asset valuation and capital budgeting including the role of uncertainty, imprecise forecasts, risk preferences, inflation, market conditions, and the global marketplace; working capital management, leasing, mergers, and financing. The course content may vary between instructors and over time, therefore, the course descriptor is subject to change each time the is offered.

**Repeat Status:** Course may be repeated.

**Prerequisites:** (FIN 328 and FIN 323)

**FIN 336 Real Estate Finance 3 Credits**

An advanced survey of modern residential and commercial real estate financing techniques from the perspective of the borrower and the lender. Topics include: the principles of financing decisions; financing methods and techniques, institutional sources of funds for real estate, and real estate financing decision-making. The course includes lectures, demonstrations, spreadsheet software exercises, and guest speakers.

**Prerequisites:** (FIN 328 and FIN 323)

**FIN 371 Directed Readings 1-3 Credits**

Readings in various fields of finance designed for the student with a special interest in some field of finance not covered in scheduled courses. Consent of sponsoring instructor required.

**Repeat Status:** Course may be repeated.

**FIN 372 Special Topics 1-3 Credits**

Special problems and issues in finance for which no regularly scheduled course work exists. When offered as group study, coverage varies according to interests of instructor and students. Consent of sponsoring instructor required.

**Repeat Status:** Course may be repeated.

**FIN 373 Finance Internship II 1-3 Credits**

Based on a student's work experience, a sponsoring faculty member shall direct readings, projects, and other assignments—including a "capstone report." It should be noted that the work experience (at least 80 hours), by itself, is not the basis for academic credit. The faculty directed activity must be provided concurrent with the work. Course content and work experience should have added rigor from Finance Internship I due to the satisfactory completion of the finance core (FIN 323 and FIN 328). Course registration and related arrangements must be made in advance of the work engagement. This course must be taken Pass/Fail and cannot be used to satisfy finance major requirements. Declaration of a finance major. Consent of department required.

**Prerequisites:** (FIN 323 and FIN 328)

**FIN 374 Portfolio Management Practicum 1-3 Credits**

Readings, projects and papers designed to complement the leadership and analytical activities associated with the management of the Student Investment Club or Thompson portfolios and similar activities. Consent of instructor required.

**Repeat Status:** Course may be repeated.

**Prerequisites:** FIN 323

**FIN 377 Advanced Topics--Investments 3 Credits**

Advanced topics to specific areas of Investments such as: valuation/security analysis; portfolio/risk management; fixed income securities; mutual funds; hedge funds; microstructure; and trading.

**Repeat Status:** Course may be repeated.

**Prerequisites:** FIN 323 and FIN 328

**FIN 382 Guest Speaker Seminar Series 1 Credit**

This course is designed to help prepare students for 'real' world problems by exposing them to a variety of career opportunities. The purpose of this seminar is to give students the opportunity to network with successful professionals in the Financial Services industry, connecting students and practitioners across places and generations to build community around shared work-as-service interests. For future professionals, this seminar advances co-curricular programming to the "pro-curricular" level – linking classroom study of finance to the dynamic world of the practicing financial professionals.

**Repeat Status:** Course may be repeated.

**FIN 389 Honors Project 1-8 Credits**

**Repeat Status:** Course may be repeated.

**FIN 418 Principles of Corporate Finance and Investments 3****Credits**

This course provides students with a basic foundational knowledge of finance principles, working knowledge of various aspects of corporate finance, and the principles of investments. Short-term financial decisions will be discussed. Long-term capital investment will be explored starting with the basics of time value of money and capital investment techniques. Topics include the determination of the appropriate investment discount rate, the organization's cost of capital and hurdle rates, the risk-reward tradeoff, and specific financial instruments.