

**CBN COLLABORATIVE POSTGRADUATE PROGRAMME  
DEPARTMENT OF ECONOMICS, UNIVERSITY OF NIGERIA NSUKKA  
WORK PLAN**

**NAME OF LECTURER:**

**COURSE: ECO 532 FINANCIAL ECONOMICS 11**

<b>STUDY WEEK</b>	<b>TOPIC SUB-TOPIC</b>	<b>RESULTS LEARNING</b>	<b>TIME Hrs</b>	<b>METHODS</b>	<b>Suggested Videos</b>
<b>1-2</b>	<p><b>Corporate Finance</b></p> <p>1.1 Introduction to Corporate Finance: Financial Accounting, Valuation and Capital Budgeting</p> <p>1.2 Definition of Corporate Finance. Taxes and Corporate Finance</p> <p>1.3 Operations of financial markets: Capital Structure and Dividend Pricing</p> <p>2.1 Corporate Governance:</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Describe what is financial capital budgeting</li> <li>▪ Outline and explain the five methods of capital budgeting</li> <li>▪ Explain the uses of capital budgeting</li> <li>▪ Explain the goals of capital budgeting</li> <li>▪ Calculate the value of an asset</li> <li>▪ The importance of valuation in finance</li> <li>▪ Explain the meaning of asset valuation and the three accounting values?</li> <li>▪ Define corporate finance, and describe what is corporate finance advisory?</li> <li>▪ Describe the activities of corporate finance team</li> <li>▪ Explain how taxes on trading and non-trading earned through holding securities and lending money are treated</li> </ul>	6	Physical Interaction. Lectures, Tutorials and power-point presentations	

	<p>Corporate restructurings</p> <p>2.2 Mergers and Acquisition: The takeover process</p>	<ul style="list-style-type: none"> <li>▪ Explain treatment of tax on capital raised by issuing securities and borrowing money.</li> <li>▪ Identify the tax implications of the most common corporate financing decisions and those corporate investment decisions that relates to shares and other financial instrument</li> <li>▪ Determine the difference between capital structure and financial structure</li> <li>▪ Determine what constitute financial capital structure, and a good capital structure ratio.</li> <li>▪ Explain cost and benefits of debt.</li> <li>▪ Examine and evaluate the corporate restructuring transaction as an innovation in corporate governance</li> <li>▪ Explain the role of Agency problems in corporate restructuring</li> </ul> <p>What constitute common form of corporate restructuring, such as divestitures of firm's tangible and operating assets (plant and equipment)?</p>			
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		<ul style="list-style-type: none"> <li>▪ Explain the dual roles of corporate governance in corporate restructuring</li> <li>▪ Explain the process of merger and acquisition</li> <li>▪ Distinguish between acquisition and takeover.</li> <li>▪ The implication of takeover to shareholders</li> <li>▪ Explain the steps and rules of merger and acquisition</li> </ul> <p>Explain the procedure for merger, acquisition and takeover in Nigeria</p>			
<b>3</b>	<p><b>INFORMATION AGGREGATION AND MARKET MICRO STRUCTURE</b></p> <p>3.1 Financial Trading and Market Structure</p> <p>3.2 Exchange of Assets, Asset Return Volatility Estimation and Price Formation</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Give the meaning of financial market and examples.</li> <li>▪ Explain the principle of trading market structure.</li> <li>▪ Describe the components, organisation, and features of financial market.</li> <li>▪ Explain different types of financial markets</li> <li>▪ Explain the structure and functions of financial markets.</li> <li>▪ Distinguish between return and asset volatility</li> <li>▪ Explain what is market volatility, and how volatility is calculated</li> <li>▪ Distinguish between volatility and standard deviation</li> </ul>	3	Physical interaction and Group discussions	Online videos and other recommended visuals

		<ul style="list-style-type: none"> <li>▪ Describe the importance of volatility to investors</li> </ul> <p>Explain the relationship between market volatility and price prediction in stock market</p>			
<b>4-5</b>	<p><b>BANKING INSTITUTIONS</b></p> <p>4.1 Commercial banks, Investment Banks, Insurance Companies, Mutual Funds</p> <p>4.2 Governance and Risk Management of Financial Institutions</p> <p>5.1 Asset Securitization</p> <p>5.2 Financial Regulation</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Explain the 4 types of financial institutions</li> <li>▪ Compare commercial and investment banks</li> <li>▪ Explain the difference between a commercial and investment bank?</li> <li>▪ Identify where investment banks get their money from</li> <li>▪ Define what Corporate Governance is</li> <li>▪ Explain the roles of the boards and institutional investors in corporate governance</li> <li>▪ Explain the key sources of corporate governance</li> <li>▪ Describe the interrelationship between Corporate Governance, Financial Performance and the Cost of Equity</li> <li>▪ Explain the connection of Corporate Governance with Transparency</li> <li>▪ Explain Principal-Agent-Conflict (Agency Theory)</li> </ul>	6	Physical Interaction. Lectures, Tutorials and power-point presentations	Online videos and other recommended visuals

		<ul style="list-style-type: none"> <li>▪ Describe the concept, mechanism and utility of securitization of assets</li> <li>▪ Identify the types of securitizations and advantages</li> <li>▪ Explain how Asset Securitization works</li> <li>▪ Identify assets that can be securitized, and the benefits of securitization</li> <li>▪ Have an understanding of an overview of financial regulation</li> <li>▪ Explain the purpose of financial regulation?</li> <li>▪ Identify the four main regulators of financial sector</li> </ul> <p>Understand what is financial regulatory compliance, and how finance companies are regulated.</p>			
<b>6</b>	<p><b>INTERNATIONAL AND BEHAVIOURAL FINANCE</b></p> <p>6.1 Markets and Investments</p> <p>6.2 Financial Instruments</p> <p>6.3 Make over-reaction/under-reaction to new information</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Identify different types of investment</li> <li>▪ Identify the features of investment to avoid</li> <li>▪ Define what financial instrument is</li> <li>▪ Identify different types of financial instrument, and the most common type</li> <li>▪ Explain the uses of financial instrument, and role they play in investment decisions</li> </ul>	3	Physical interaction and Group discussions	Online videos and other recommended visuals

		<ul style="list-style-type: none"> <li>▪ Explain what constitute international financial instrument</li> </ul>			
7 – 8	<p><b>FINANCIAL DEVELOPMENT</b></p> <p>7.1 Theories and Measurement of Financial Sector Development</p> <p>8.1 Emerging Institutions and Markets in the Financial Sector</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Explain the meaning and indicator of financial development</li> <li>▪ Examine the theoretical foundations of financial development</li> <li>▪ Describe the importance of financial development to economic growth and development</li> <li>▪ Explain what constitutes components of financial system</li> <li>▪ Defined set of measures of financial development is</li> <li>▪ Explain the meaning of financial sector</li> <li>▪ Understand how to strengthen financial sector in emerging markets</li> </ul> <p>Explain financial sector challenges for emerging and developing economies</p>	6	Physical interaction and Group discussions	Online videos and other recommended visuals
9– 10	<p><b>Financial Crisis and Risk Management</b></p> <p>9.1 Financial Crises (Local and Global Banking Crises)</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Describe what financial crises are, and how they can be caused</li> <li>▪ Explain how financial crises the affects banking sector</li> </ul>	6	Physical interaction and Group discussions	Online videos and other recommended visuals

	<p>10.1 Risk Management Techniques</p> <p>10.2 Ethics of Risk Management</p>	<ul style="list-style-type: none"> <li>▪ Explain what is banking crises, and how often do financial crises occur</li> <li>▪ Explain what constitute Ethical risk and ethical principles</li> <li>▪ Describe the role ethics play in risk management</li> <li>▪ Explain how to mitigate against ethical risks</li> <li>▪ Explain what are risk management tools and techniques</li> <li>▪ Explain what is risk management strategy</li> </ul> <p>Describe what constitute risk identification techniques.</p>			
<b>11 - 12</b>	<p><b>FINANCIAL SECTOR REFORMS</b></p> <p>11.1 Banking Regulations</p> <p>11.2 Financial Sector Reforms and Regulations (Issues and Challenges)</p> <p>12.1 Financial Integration</p>	<p>Students should be able to:</p> <ul style="list-style-type: none"> <li>▪ Describe how banks are regulated, and give examples of banking regulation</li> <li>▪ Show why banks need regulation</li> <li>▪ Explain what are capital requirements for banks</li> <li>▪ Explain what the challenges of the banking sector are</li> <li>▪ Explain what is financial reform and financial sector regulations</li> <li>▪ Identify specific financial problems in Nigeria</li> </ul>	6	Physical interaction and Group discussions	Online videos and other recommended visuals

		<ul style="list-style-type: none"> <li>▪ Explain what market integration and capital integration means</li> </ul> <p>Describe the benefits and cost of international financial intergration.</p>			
<b>13</b>	<b>FINANCIAL ECONOMETRICS</b> 13.1 Empirical Modelling in Finance 13.2 Empirical Testing in Finance	Practical sessions, computer applications with the help of statistical Software, Case Study analysis and Quizzes	3	Physical interaction and Group discussions	Online videos and other recommended visuals
<b>14</b>	<b>REVISION WEEK.</b>				
<b>15</b>	<b>FINAL EXAMINATION</b>				

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**Lecturer:**

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**PROGRAMME LEADER**