

## FNCE 601 Session Schedule

Session	Topic	Assignment
1/12, 1/14	<b>Net Present Value and Present Value Basics</b> <ul style="list-style-type: none"> <li>• Foundations of NPV rule</li> <li>• Compounding, discounting</li> <li>• Perpetuities, annuities</li> <li>• Nominal vs. real interest rates</li> </ul>	Chs 1-3
1/19, 1/21	<b>Capital Budgeting</b> <ul style="list-style-type: none"> <li>• Alternative project selection criteria</li> <li>• Identifying relevant cash flows</li> <li>• Sensitivity analysis</li> </ul>	Chs 6, 7
1/28	<b>** Problem Set #1 due ** (posted by 1/21)</b>	
1/26	<b>Pricing Bonds and Stocks I</b> <ul style="list-style-type: none"> <li>• Coupon, face value</li> <li>• Current yield and yield to maturity</li> <li>• Bond contracts and features</li> </ul>	Ch 4 Ch 25 (Secs 1-5: pp. 668-678)
1/28, 2/2	<b>Pricing Bonds and Stocks II</b> <ul style="list-style-type: none"> <li>• Dividend growth model</li> <li>• Earnings retention and value creation</li> </ul>	Ch 5
<b>INTERVIEW WEEKS (no class)</b>		February 4, 9, 11
2/16	<b>** Case 1: Eli Lilly &amp; Company **</b>	(posted by 1/28 to webCafe)
2/23	<b>** Problem Set #2 due ** (posted by 2/16)</b>	
2/18, 2/23, 2/25	<b>Modeling Risk in Financial Decisions I</b> <ul style="list-style-type: none"> <li>• Portfolio risk and return</li> <li>• Diversification and efficient portfolios</li> <li>• The Capital Asset Pricing Model: Implications and tests of validity</li> </ul>	Chs 8, 9
<b>MIDTERM EXAM</b>	Wednesday, February 24, 6:00 – 8:00PM [Exam covers material through Thursday, 2/18]	(See Bulk Pack Section II for Sample Exams)

**No class on Tuesday, March 2 (prepare for Q3 Finals)**