

**American University – Central Asia**  
**Business Administration Department**  
**Introduction to Finance**  
**Syllabus**

**I. General Information**

Course ID/number: FIN-402/FIN-305

Credits: 6

Prerequisites: ECO112 “Microeconomics”

**II. Course Description**

The purpose of this academic course is to study the key dimensions of Finance, financial instruments and contemporary methods of organizing and controlling public and international finance.

The concepts of Finance, financial system and markets, including its organizing, administration, analysis, and control have played a vital role in responsiveness of financial performance of any companies, helping them to gain financial sustainability in emerging financial marketplace. The application process of Financial Management uncovered significant opportunities for improving efficiency of financial performance due to introducing of complex set of Financial Management mechanisms, and Financial Analysis techniques. The evaluation of current condition of Finance, its organizing, managing, planning and forecasting is highly important throughout all levels of consideration, including the micro-, and macro-levels on both domestic and int’l financial markets.

The recognition of actually received effects from Financial Analysis of Corporate Finance reinforced the needs of certain enterprise to continuous improving of business performance in a certain marketplace. The investment opportunities will be opened for entities and government to reach their specified needs in growing of Corporate and Public Finance accordingly.

This academic course will acquaint the students with theoretical fundamentals of planning, organizing and administration of Finance on different financial markets due to core financial instruments by various financial institutions. The studying of basic business applications for efficient financial performance of bank and non-bank financial institutions has taken a new importance for students to be specialized in Finance Business Administration.

Considering academic course includes three basic sections, including the Financial Markets and Institutions, Investments and Financial Management.

**III. Course Organization**

The course will be divided into 3 parts: “Financial Markets & Institutions”, “Investments” and “Financial Management”.

Classes will be divided in lectures and seminar. During seminars students should prepare assignments and presentation given by the professor. Seminars will be on Wednesday.

**Exams:**

There will be 3 quizzes. A quiz will be conducted after concluding each section of the course. Each quiz will include multiple choices questions, open questions and exercises.

Any quiz will be organized before or after the scheduled day without special permission/official order of the Head of the Eco-BA division. All students should be in classroom accurately in time scheduled to participate

in any exam. No any student can be overdue, and nobody will be able to enter to the classroom after Instructor, especially when the examination will be started.

There will be also a final exam. Each student is expected to come with a calculator at each exam/quiz. If you forget it, your grade for the final exam will be F. **Nothing is allowed during quizzes and final exam but calculator and appropriate equipment to write your answers.**

**Students should pay attention to their final grade all along the semester.**

Communication between students and instructor will be mainly made through emails. Make sure the instructor has the correct email address. If you do not receive emails, please inform the instructor as soon as possible. It is not the responsibility of the instructor if you do not receive emails.

**Additional work:** The responsibility to organize any special additional work is given to the Head of Eco-BA division under mutual agreement with Instructor; additional work can be given until 2 (two) weeks before the final exam week; after this date, no additional work will be given. If students did not enter to quiz exam because of valid reason they will be able to pass through such kind of make-up. The subjects of new exam will be different compared to original quiz questions. **No any other additional work to improve the basic exam's grade will be available.**

**The instructor reserves the right to modify any and all portions of this syllabus at any time during the period of the course.**

**Adobe connect:**

During the semester, the platform "Adobe Connect" will be used to provide all the material for this course. Please make sure you are well registered in the virtual classroom. If you have difficulties or questions, please contact the instructor for more information.

The lectures and seminars will be conducted on the following URL: <https://connect.auca.kg/itfspring2016>

**Google Classroom:**

Concerning homework, assignments and announces can be made through Google classroom. To access it you need to go to classroom.google.com and then enter the following code: agkqvzn.

Homework will be turned in by the student via this platform; no other way will be accepted by the instructor.

**IV. Objectives Statement**

After completing this required business academic course, the students should be capable to identify the basic financial markets, recognize the features of core financial institutions, and apply the basic methods of financial return and risk management.

Basic set of five major objectives why students will profit from studying the «Introduction to Finance» academic course includes the following:

- 1) To comprehend the nature, structure and functions of Finance, Financial Markets and Financial Institutions on both domestic and international levels,
- 2) To understand the basic characteristics and valuations of Bonds and Stocks in context of Investment Management,
- 3) To studying the basic methods and models of Financial Management of Business Organization,
- 4) To comprehend the specific aspects and features of Financial Analysis as a precondition of excellent business performance in a competitive marketplace in comparison with Economic Analysis, and

5) To develop the practical skills of students in Financial Problems' resolution due to Experiential Financial Exercises solving.

#### V. Assessment Plan

The final grade will be determined as follows:

Grade Components	Percentage
Quiz #1 Financial Markets & Institutions	20
Quiz #2 Investments	20
Quiz #3 Financial Management	20
Participation during lectures and seminars (including possible presentations)	20
Final Exam	20
Total	100

#### VI. Grading information

The grade scale is unified for Business Administration Academic Program as follows:

A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
100-93	92-90	89-87	86-83	82-80	79-77	76-73	72-70	69-67	66-63	62-60	59 –b/w

#### VII. General Remarks

Regarding attendance in case if any student will miss 3 (three) or more academic classes (i.e., 6 academic hours) without medical or valid reason, such student will see his/her grade downgraded by one letter (for instance if the student deserves A-, he/she will receive B-). Only medical evidence by Medical Service at the AUCA is valid for consideration by instructor.

**Students should come to the instructor at the end of each lecture/seminar to make sure their name has been checked as present in the classroom.**

Written group assignment and individual/group homework must be typed in English and submitted through the e-course. The deadlines will be provided during lectures and seminars, and also indicated on e-course. Task order and terms of presentation will be pre-determined by Instructor between two sessions of group presentations.

Academic Dishonesty:

The American University of Central Asia is responsible to support and implement the policy against an academic dishonesty in accordance with the Int'l High Education Standards. Irrespective of motives, the chairs of academic programs provide a policy of intolerance to all cases of academic dishonesty and falling of the intellectual customs.

List of examples concern the academic dishonesty includes a fraud at examinations in the form of crabs using, the writing off the information at other students on group, a plagiarism at individual and/or group term assignments preparation, the active use of fraudulent situations at the appeal and evaluation of an attendance level of academic course, and also the using of false information at evaluation of quality of teaching and contents of educational materials distributed.

The Instructor has a right to report on the facts of disturbance of principles of academic honesty on the part of the students to administration of appropriate structural department.

### VIII. Lecture Topics

Week	Basic subjects of academic course
1	Add/Drop Week Syllabus Review. Course Overview
<b>Section I "Institutions and Markets"</b>	
2	Lecture 1. <i>Financial environment</i> Seminar 1.
3	Lecture 2. <i>Money and Monetary System</i> Seminar 2.
4	Lecture 3. <i>Banks and other Financial Institutions</i> Seminar 3.
5	Lecture 4. <i>The Federal Reserve System</i> Seminar 4.
6	Lecture 5. <i>Basics of International Finance and Trade</i> Seminar 5. Quiz #1
<b>Section II "Investments"</b>	
7	Lecture 6. <i>Savings and Investment Process</i> Seminar 6.
8	Lecture 7. <i>Interest Rates and Time Value of Money</i> Seminar 7.
9	Lecture 8. <i>Bonds and Stocks: characteristics and principles of valuations</i> Seminar 8.
10	Lecture 9. <i>Securities Markets</i> Seminar 9.
11	Lecture 10. <i>Financial Return and Risk Concepts</i> Seminar 10. Quiz #2
<b>Section III "Financial Management"</b>	
12	Lecture 11. <i>Business Organization and Financial Data</i> Seminar 11.
13	Lecture 12. <i>Managing Working Capital and Short-Term Business Financing</i> Seminar 12.
14	Lecture 13. <i>Capital Budgeting Analysis</i> Seminar 13.
15	Lecture 14. <i>Capital Structure and the Cost of Capital</i> Seminar 14. Quiz #3

### IX. Bibliography

1. Ronald W. Melicher, Edgar A. Norton. *Introduction to Finance: Financial Markets, Investment, and Financial Management*. Wiley Publishing House. 2012.