FINC 5130 FINANCIAL MODELING  
Winter 2020  
Monday 6:00pm – 9:00pm  
Pigott 101

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Office Hours:  
Monday 4:45pm – 5:45pm, or by appointment

COURSE DESCRIPTION:  
In this course students will learn quantitative concepts and techniques that are used to formulate and solve financial problems. Topics covered include: Visualizing and Exploring Data, Statistical Measures, Regression, Forecasting, Monte Carlo Simulation, Decision Trees. Applications of these methods will include examples from stocks, bonds, and derivatives.

PREREQUISITES: Prerequisite: MBA 5230 or (ECON 5000, Financial Accounting, FINC 5000). Basic Excel skills, and math skills at the level of intermediate algebra.

MATERIALS:  

Software: Microsoft Excel 2013 or later.

Laptop computer: Windows or Mac.

- Even though many of the problems we will address can be solved using earlier versions of Excel, I strongly recommend that you purchase a copy of Excel 2013 or later. (Excel 2013 is installed in Albers School computers.)
- The textbook makes frequent use of tools included in Analytic Solver Platform for Education (ASPE), developed by Frontline Systems. We will NOT use this Excel add in. Exams, cases and homework problems should be solved without recourse to ASPE.
COURSE ETIQUETTE AND REQUIREMENTS

- Please avoid late arrivals and early departures.
- Once in class, I expect you to stay in the classroom. Please take care of personal needs prior to class so you won’t feel an urgent need to walk out of the classroom in the middle of a lecture. This can be very distracting to your fellow classmates.
- Regular class attendance is essential for success in this course. Students are responsible for all material and assignments presented in class. If you miss a class, then it is your responsibility to obtain any missed lecture/class notes from a class colleague.

TECHNOLOGY USE POLICY
The use of cell phones in class is not allowed.
Audio and videotaping of any class session is strictly prohibited.

GRADE DETERMINATION:
The total grade for the course is based on the following weights:

1/3 Exam 1
1/3 Exam 2
1/3 Case Project and Assignments

The course letter grade will be assigned according to the following schedule:

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\begin{array}{ccc}
95 - 100 & A & 77 - 79.99 & C+ \\
90 - 94.99 & A- & 74 - 76.99 & C \\
87 - 89.99 & B+ & 67 - 73.99 & C- \\
84 - 86.99 & B & 60 - 66.99 & D \\
80 - 83.99 & B- & below 59.99 & F \\
\end{array}
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PARTICIPATION:
Includes attendance, in class discussion, weekly readings and assignments.

CASE PROJECT:
You will work in groups to analyze a business case using the tools and techniques introduced during the course. More details will be given in class and posted in a separate handout on the Canvas website.

EXAMS:
There will be two exams total. The exams will consist of analytical problems and multiple-choice problems based on in class lectures, weekly readings and assignments. I will give a detailed exam review one week prior to each exam. There will be no makeup exams except in very rare circumstances (please see Seattle University Handbook). In the event of illness or family emergency, official written documentation must be provided to the instructor.
COURSE OUTLINE

This course outline is tentative and I will announce changes as necessary.

- Textbook Chapter 1: Introduction to Business Analytics
- Textbook Chapter 2: Analytics on Spreadsheets
- TVM, NPV, Bond Pricing and Yields in Excel
- Textbook Chapter 3: Visualizing and Exploring Data
- Textbook Chapter 4: Descriptive Statistical Measures
- Application: Risk and Return for Stocks
- Textbook Chapter 5: Probability Distributions and Data Modeling
- Applications: Probability of Default and Random Walk
- Monte Carlo Simulation
- Decision Trees and Option Valuation
- Textbook Chapter 8: Trendlines and Regression Analysis (if time permits)

IMPORTANT DATES

- January 20th, No Class (University closed for Martin Luther King Jr. Day)
- February 10th, Exam 1
- February 17th, No Class (University closed for President’s Day)
- March 20th (THIS IS A FRIDAY), Exam 2 and Case Project Due
**Academic Resources**

Library and Learning Commons (http://www.seattleu.edu/learningcommons/)
(This includes: Learning Assistance Programs, Research [Library] Services, Writing Center, Math Lab)
Academic Integrity Tutorial (found on Canvas and SU Online)

**Academic Policies on Registrar website** (https://www.seattleu.edu/redhawk-axis/academic-policies/)
Academic Integrity Policy
Academic Grading Grievance Policy
Professional Conduct Policy (only for those professional programs to which it applies)

**Notice for students concerning Disabilities**
If you have, or think you may have, a disability (including an ‘invisible disability’ such as a learning disability, a chronic health problem, or a mental health condition) that interferes with your performance as a student in this class, you are encouraged to arrange support services and/or accommodations through Disabilities Services staff located in Loyola 100, (206) 296-5740. Disability-based adjustments to course expectations can be arranged only through this process.

**Office of Institutional Equity**
Title IX of the Education Amendments of 1972 (Title IX) prohibits discrimination based on sex in educational programs or activities that receive Federal financial assistance. This prohibition includes sexual misconduct, which encompasses sexual harassment and sexual violence. Seattle U remains committed to providing a safe and equitable learning, living, and working environment. Seattle U offers emergency, medical, and other support resources, as well as assistance with safety and support measures, to community members who have experienced or been impacted by sexual misconduct. Seattle U requires all faculty and staff to notify the University’s Title IX Coordinator if they become aware of any incident of sexual misconduct experienced by a student. For more information, please visit https://www.seattleu.edu/equity/. If you have any questions or concerns, you may also directly contact the Title IX Coordinator in the Office of Institutional Equity (email: oie@seattleu.edu; phone: 206.296.2824)