

FSG: Principles of Finance (Spring 2007)

Executive Summary

- One-quarter practical finance class provided by FSG, led by members of the Kellogg Finance Club
- Primers on core finance, financial reporting, valuation and modeling, and portfolio management
- Preparation for interviews, jobs, and FSG Investment Research (visit isbefsg.wordpress.org for more info)
- Mentorship and career advice from Kellogg MBA students

Kellogg MBA Mentors	Specialty and Work Experience
Sonia Ahluwalia	Fixed Income, <i>UBS</i> ; Asset Management, <i>Bear Stearns</i>
Loren Buck	Finance, <i>MMA Realty Capital</i>
Michael Fairchild	Investment Banking, <i>Bear Stearns</i> ; Corporate Finance, <i>Microsoft</i>
Chaim Lubin	CPA, Public Accounting, <i>Feeley & Driscoll P.C.</i>
Scott McKinney	Investment Banking, <i>TM Capital Corp./A.G. Edwards</i>
Rick Perez	Stock Pitching/Portfolio Theory, <i>Deloitte</i>
Alex Riemer	Venture Capital, <i>Willis Stein & Partners</i>
Jayson Traxler	Private Equity, <i>Blue Point Capital Partners</i>



Syllabus (All sessions on Sunday from 4:00pm - 5:00pm)

<i>4/1/2007: Introduction to Careers in Financial Services (All Kellogg MBA Mentors)</i>	Location: Jacobs G40
<ul style="list-style-type: none"> • What is finance? "Days in the life of..." career introductions • What is investment banking; sales & trading; asset management; corporate finance; PE/VC? 	
<i>4/8/2007: Financial Reporting/Forensics Accounting (M. Fairchild & C. Lubin)</i>	Jacobs G40
<ul style="list-style-type: none"> • Interpreting financial statements, corporate regulations, and filings • Identifying aggressive versus conservative accounting, mergers & acquisitions 	
<i>4/15/2007: Bonds and NPV (S. Ahluwalia & L. Buck)</i>	Location: TBD
<ul style="list-style-type: none"> • Time value of money, interest rates, pricing bonds, NPV (annuities, mortgages, etc.), bond ratings, duration & term structure, yield curve, and the Fed 	
<i>4/22/2007: Valuation Methods, Comparable Transactions, and Multiples (C. Lubin & S. McKinney)</i>	Jacobs 1246
<ul style="list-style-type: none"> • Multiples PE, PB, EV/EBITDA, Price to Sales, ROE, Debt/Equity, etc. • Relevance of metrics to different sectors, using comps in valuation 	
<i>4/29/2007: Discounted Cash Flow & Earnings Models in Excel (S. McKinney & J. Traxler)</i>	Jacobs G40
<ul style="list-style-type: none"> • Find and calculate: Working Capital, CapEx, Gross Profit, EBIT, EBITDA, FCF • Discussion of WACC, CAPM, and LBO analysis • Work through full simple example: basic assumptions, finding data, projections 	
<i>5/6/2007: Corporate Finance (S. Ahluwalia & M. Fairchild)</i>	Jacobs G40
<ul style="list-style-type: none"> • Investment decisions, tax strategies, real options, and corporate restructuring 	
<i>5/13/2007: Stock Pitching (R. Perez & J. Traxler)</i>	Jacobs G40
<ul style="list-style-type: none"> • Practical examples, industry analysis/trends, growth drivers and strategies, risks 	
<i>5/20/2007: Portfolio Theory (L. Buck & R. Perez)</i>	Jacobs 276
<ul style="list-style-type: none"> • Efficient frontier/market hypothesis, beta, diversification, portfolio riskiness and variance, mutual funds • Capital allocation line, long-term returns, performance measurements, leverage 	
<i>5/27/2007: Exam & Certification</i>	Jacobs G40