

# Chiang Kai Shek College

## 菲律賓中正學院

### CKS COLLEGE

#### INSTITUTIONAL VISION-MISSION

Education for excellence, geared towards a united Filipino-Chinese community equipped with the basic academic skills, wisdom, and the virtues of propriety, righteousness, incorruptibility and honor, committed to nation building and international concern.

#### CORE VALUES

*Chiang Kai Shek College challenges stakeholders to lead their lives in accordance to the four Confucian virtues:*

- Li (禮, propriety, proper rite)
- Yi (義, righteousness or justice)
- Lian (廉, incorruptibility)
- Chi (恥, honor, sense of shame)

*Concomitant to attaining these values are the cultivation and sustenance of the holistic approach to education, an all-around development in five domains:*

- Dé (德, moral)
- Zhì (智, intellectual)
- Tì (體, physical)
- Qún (群, team spirit)
- Měi (美, aesthetic)

*Based on these Confucian moral values, CKS College simplifies its Core Values as follows:*

- Relevant Education
- Good Character
- Committed Service

### COLLEGE VISION STATEMENT

To become the preferred Filipino-Chinese college that offers high quality, learner-centered, and outcome-based education to future entrepreneurs, professionals, and managers in the fields of business, IT, and education.

#### COLLEGE MISSION STATEMENT

CKS College is a preeminent Filipino-Chinese college that seeks to grow, educate, and train future entrepreneurs and leaders who will make significant contributions to society.

It endeavors to create a learning environment that balances theory with practice, so as to equip students with the necessary knowledge, skills, and values that will enable them to succeed in their respective fields.

In partnership with CKS College faculty, staff, and administration, and through stronger linkages with various organizations, CKSC alumni, businessmen, and professionals, it shall continuously make its degree programs more adaptive and relevant to changing educational, social, technological, and business environments, thereby bridging the gap between academe and industry.

It shall supply various sectors with capable, competent, and pro-active educators, accountants, managers, marketers, IT experts, and entrepreneurs who shall be known for their commitment, excellence, passion, and integrity.

#### CKS COLLEGE INSTITUTIONAL OBJECTIVES

1. To train bright and capable leaders of society
2. To prepare people for the task of building a better and stronger nation
3. To harvest and share great ideas from Eastern and Western cultures
4. To enhance friendship and understanding between Filipinos and Chinese

### PROGRAM OUTCOMES (PO)

#### **1. Common to All Programs**

- 1.1 Recognize and examine the trends and developments in one's field of specialization.
- 1.2 Effectively communicate orally and in writing using English, Filipino, mother tongue language, and an appropriate Foreign Language required by the industry.
- 1.3 Work effectively and independently in multi-disciplinary and multi-cultural teams.
- 1.4 Act in recognition of professional, social, and ethical responsibilities.
- 1.5 Preserve and promote Filipino historical heritage and cultural values.
- 1.6 Engage in ongoing, voluntary, and self-motivated pursuit of knowledge (lifelong learning).
- 1.7 Demonstrate the values of propriety, righteousness, incorruptibility, and honor.

#### **2. Common to the Business and Management Discipline**

- 2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling.
- 2.2 Apply proper decision making tools to critically, analytically, and creatively solve problems and drive results.
- 2.3 Apply the basic concepts that underlie each of the functional areas of business (marketing, finance, human resources management, production and operations management, information technology, and strategic management) and employ these concepts in various business situations.
- 2.4 Apply information and communication technology (ICT) skills as required by the business environment.
- 2.5 Work effectively with other stakeholders and manage conflict in the workplace.
- 2.6 Employ entrepreneurial skills in planning and implementing business activities.
- 2.7 Demonstrate high personal moral and ethical standards, organizational citizenship, and corporate social responsibility.

#### **3. Specific to the Accountancy Program**

- 3.1 Resolve business issues and problems, with a global and strategic perspective using their knowledge and technical proficiency in the areas of financial accounting & reporting, cost accounting & management, management accounting & control, taxation, and accounting information systems;
- 3.2 Conduct accountancy research through independent studies of relevant literature and appropriate use of accounting theory and methodologies;
- 3.3 Employ technology as a business tool in capturing financial and non-financial information, generating reports and making decisions;
- 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications);
- 3.5 Confidently maintain a commitment to good corporate citizenship, social responsibility and ethical practice in performing functions as an accountant.
- 3.6 Use financial & non-financial information to conduct sustainability and strategic audit of various business organizations.

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### COURSE SYLLABUS

<b>Course Code</b> : ACFNMK <b>Course Title</b> : Financial Markets <b>Credit</b> : 3.0 Units <b>Instructor</b> : <b>Class Day</b> : <b>Class Time</b> : <b>Classroom</b> : <b>Consultation Schedule</b> :	<b>Course Description:</b>  This course involves the study of the different financial techniques used in capital investment analysis and evaluation for making long-term financial decisions. Different sources of long-term funds, techniques in long-term financing, and different ways of computing for values of long-term investments and returns will also be discussed. Key topics include the time value of money, capital budgeting, the cost of capital, leverage and capital structure, dividend policy, and mergers, LBO's, divestitures, and business failures. Both qualitative and quantitative tools utilized in financial management shall be discussed and assessed as tools in management decision making.
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Course Outcomes	Program Outcomes Addressed by the Course Outcomes
1. Identify and describe different financial techniques used in capital investment analysis.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
2. Define the basic concept of risk and return.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
3. Describe the key bond valuation models.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
4. Calculate, interpret, and evaluate unsophisticated and sophisticated capital budgeting techniques.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
5. Perform external assessment of stock valuation models.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).

Course Outcomes	Program Outcomes Addressed by the Course Outcomes
6. Enumerate the types and major capital budgeting techniques.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
7. List standard and restrictive bond provisions and costs.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications).
8. Differentiate between bond and stock claims on income and assets, maturity, and tax treatment.	2.1 Perform the basic management functions, such as planning, organizing, staffing, leading, and controlling. 3.4 Apply knowledge and skills that will enable them to successfully respond to various types of assessments (including professional and certifications);
9. Compare stock and bond prices.	2.3 Apply the basic concepts that underlie each of the functional areas of business (marketing, finance, human resources management, production and operations management, information technology, and strategic management) and employ these concepts in various business situations. 3.1 Resolve business issues and problems, with a global and strategic perspective using their knowledge and technical proficiency in the areas of financial accounting & reporting, cost accounting & management, management accounting & control, taxation, and accounting information systems;

**Course Requirements:**

- Class Participation. Attendance to all lectures and required alternative activities is highly encouraged. Students are expected to actively participate in discussions and to be respectful of each other’s views, opinions, and insights. It is part of the student’s responsibility to prepare for each class session by reading the assigned materials (textbook, references, journals, websites, hand-outs, etc.), as indicated in the Course Plan.
- Quizzes. Pre-discussion and post-discussion quizzes shall help assess student learning on a more regular basis. Such quizzes are unannounced. Pre-discussion quizzes shall help assess how well the student prepared for the session. They shall help students develop lifelong learning skills. Post-discussion quizzes shall help assess how much students learned from lectures and classroom discussions.
- Long Exams. Two long exams shall be administered before midterms and another two shall be administered after midterms. The schedule for the long exams are indicated in the Course Plan.
- Midterm & Final Exams. The Midterm and Final Exams shall be comprehensive and shall be administered as per the schedule set by the CKS College HEI Deans’ Council.
- Case Analysis. Students shall be assigned to groups and each group shall be assigned a case to work on. Written case reports shall be submitted prior to midterms. Students are required to follow the format provided. The schedules for case presentations and defense are indicated in the Course Plan. Cases are selected and assigned to help students gain a deeper understanding of concepts learned as they observe, analyze, and critique how companies design, implement, and monitor strategies.
- Project (Strategic Plan). The end-of-term project is an important course output which will give the student an opportunity to synthesize and apply various lessons learned in the course. Proper presentation skills and proper use of presentation materials should also be exhibited during the oral presentation and defense.

Grading System:		Grade Score Equivalent (GSE):			
Midterm Grade	=	[(Average quizzes × 25%) + (Midterm Exam × 20%)] ÷ 45%		<b>Rating</b>	<b>GSE</b>
				98 to 100	1.00
				95 to 97	1.25
				92 to 94	1.50
				77 to 79	2.75
				75 to 76	3.00
				< 75	5.00

Final Grade	= (Average quizzes × 50%) + (Midterm Exam × 20%) + (Final Exam × 30%)	89 to 91	1.75	No Grade	NG
		86 to 88	2.00	Authorized	AW
		83 to 85	2.25	Withdrawal	
		80 to 82	2.50		

Textbook:

- Brigham, E. F. & Houston, J. F. (2017). *Fundamentals of financial management*. Cengage Learning.

References:

- Cabrera, E. B. (2015) *Financial management 1: Principles and applications*. Conanan Educational Supply.
- Hull, J. C. (2015). *Risk management and financial institutions (4<sup>th</sup> Ed.)*. Prentice Hall.
- Mayo, H. B. (2016). *Basic finance: An introduction to financial institutions, investments, and management (11th Ed.)*. Cengage Learning.
- Mayo, H. B. (2016). *Basic finance customized*. Cengage Learning.
- Mayo, H. B. (2017). *Investments: An introduction*. Cengage Learning.
- Saunders, A. & Cornett, M. M. (2015). *Financial markets and institutions (6th Ed.)*. McGraw Hill.

Course Plan:

Week	Inclusive Date/s	Learning Outcome/s	Topic/s	Reference/s	Teaching-Learning Activities	Assessment Methods
1		<ul style="list-style-type: none"> <li>Discuss the role of time value in finance, the use of computational tools, and the basic patterns of cash flow.</li> </ul>	<ul style="list-style-type: none"> <li>The Role of Time Value in Finance</li> <li>Single Amounts</li> </ul>	<ul style="list-style-type: none"> <li><b>Suggested Readings:</b> <ul style="list-style-type: none"> <li>Brigham &amp; Houston, Chapter 5</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Lecture</li> <li>Class Discussion</li> </ul>	<ul style="list-style-type: none"> <li>Recitation</li> <li>Case Analysis</li> <li>Problem Solving</li> </ul>
2		<ul style="list-style-type: none"> <li>Describe the procedures involved in determining deposits needed to accumulate a future sum, loan amortization, and growth rates.</li> </ul>	<ul style="list-style-type: none"> <li>Annuities</li> <li>Mixed Streams</li> </ul>			<ul style="list-style-type: none"> <li>Quiz</li> <li>Assignment</li> </ul>
3		<ul style="list-style-type: none"> <li>Discuss the effect of compounding interest on future value.</li> </ul>	<ul style="list-style-type: none"> <li>Compounding Interest More Frequently than Annually</li> <li>Special Applications of Time Value</li> </ul>	<ul style="list-style-type: none"> <li><b>Suggested Readings:</b> <ul style="list-style-type: none"> <li>Brigham &amp; Houston, Chapter 6</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Lecture</li> <li>Class Discussion</li> </ul>	<ul style="list-style-type: none"> <li>Recitation</li> <li>Case Analysis</li> <li>Problem Solving</li> <li>Quiz</li> <li>Assignment</li> </ul>
4		<ul style="list-style-type: none"> <li>Calculate, interpret, and evaluate the different capital budgeting techniques available to the financial manager.</li> </ul>	<ul style="list-style-type: none"> <li>Payback Period</li> <li>Net Present Value</li> <li>Internal Rate of Return</li> </ul>	<ul style="list-style-type: none"> <li><b>Suggested Readings:</b> <ul style="list-style-type: none"> <li>Brigham &amp; Houston, Chapter 11</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Lecture</li> <li>Class Discussion</li> </ul>	<ul style="list-style-type: none"> <li>Recitation</li> <li>Case Analysis</li> <li>Problem Solving</li> <li>Quiz</li> <li>Assignment</li> </ul>
5						
6						
7		<ul style="list-style-type: none"> <li>Discuss the key assumptions, basic concepts, and the specific sources of capital.</li> </ul>	<ul style="list-style-type: none"> <li>Cost of Long-Term Debt</li> <li>Cost of Preferred Stock</li> <li>Cost of Common Stock</li> </ul>	<ul style="list-style-type: none"> <li><b>Suggested Readings:</b> <ul style="list-style-type: none"> <li>Brigham &amp; Houston, Chapter 10</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Lecture</li> <li>Class Discussion</li> </ul>	<ul style="list-style-type: none"> <li>Recitation</li> <li>Case Analysis</li> <li>Problem Solving</li> </ul>
8		<ul style="list-style-type: none"> <li>Describe the procedures used to determine break points and the weighted marginal cost of capital.</li> <li>Discuss the investment opportunities schedule.</li> </ul>	<ul style="list-style-type: none"> <li>Weighted Average Cost of Capital</li> </ul>			<ul style="list-style-type: none"> <li>Quiz</li> <li>Assignment</li> </ul>

Week	Inclusive Date/s	Learning Outcome/s	Topic/s	Reference/s	Teaching-Learning Activities	Assessment Methods
9						• Midterm Exam
10		• Discuss the concepts of leverage, capital structure, break-even analysis.	• Leverage	• <b>Suggested Readings:</b> ○ Brigham & Houston, Chapter 14	• Lecture • Class Discussion	• Recitation • Case Analysis • Problem Solving • Quiz • Assignment
11		• Describe the relationships among operating, financial, and total leverage.	• Capital Structure			
12		• Illustrate the return and risk elements of alternative capital structures.	• EBIT-EPS Approach to Capital Structure • Optimal Capital Structure			
13		• Discuss cash dividend payment procedures, and the role of dividend reinvestment plans.	• Dividend Fundamentals	• <b>Suggested Readings:</b> ○ Brigham & Houston, Chapter 15	• Lecture • Class Discussion	• Recitation • Case Analysis • Problem Solving • Quiz • Assignment
14		• Evaluate stock dividends from the points of view of accounting, shareholders, and the company.	• Relevance of Dividend Policy • Factors Affecting Dividend Policy • Types of Dividend Policy			
15		• Discuss merger fundamentals.	• Merger Fundamentals	• <b>Suggested Readings:</b> ○ Brigham & Houston, Chapter 21	• Lecture • Class Discussion	• Recitation • Case Analysis • Problem Solving • Quiz • Assignment
16		• Describe the objectives and procedures used in LBO's.	• LBO's and Divestitures			
17		• Understand the types and major causes of business failures and the use of voluntary settlements to sustain or liquidate the failed firm.	• Business Failure Fundamentals • Re-organization and Liquidation in Bankruptcy			
18		• Apply concepts and theories learned to the written and oral report.	• Group Reports		• Class review of the final exam	• Oral report • Written report
						• Final Exam

#### Course Policies:

Academic Integrity	CKSian values include propriety, righteousness, incorruptibility, and honor. Students should exercise such values both inside and outside the classroom. Students are expected to value the importance of education and should recognize that such involves hard work and sacrifice. Academic dishonesty— whether in the form of plagiarism (intentional or unintentional), cheating in exams and assignments, non-contribution to the group project, or the like— shall not be tolerated and shall strictly be subjected to the penalties indicated in the CKS College Student Handbook.
Tardiness	A student who incurs more than 12 hours of absences or twenty (20) percent of the prescribed number of class periods during the semester would be given a failing grade and given no credit for the course or subject. A student may be accepted in class even if he/she arrives late provided that it is not more than 25% of the class/session. A recorded tardiness is considered 1/3-absence, which if added to two other recorded tardiness will be equivalent to a full absence recorded against a student.
Use of Mobile Devices	Once inside the classroom, the student is expected to focus on his role as a learner. Distractions should be avoided. Students are not allowed to use mobile phones, tablets, or other gadgets in class. Mobile phones should be switched off or placed in silent mode.
Make-Up Quizzes/ Exams	No make-up quiz shall be given to a student who is absent for the class period. For pre-discussion quizzes administered at the beginning of the class period, students are not allowed to enter the classroom in the middle of the quiz. Latecomers are advised to wait outside the classroom until the students present are finished taking the quiz. No make-up quiz shall be given to latecomers. For long exams, make-up exams may be given only upon presentation of an approved Application for Excuse Absence. For students who are unable to take the Midterm or the Final Exams, an approved Application for Excuse Absence and an approved Application for Special Examination should be submitted to the instructor before the make-up exam can be scheduled and administered.
Group Contribution in Project/s	The groupings for the project/s shall be determined at the beginning of the semester. Once assigned to a group, students shall not, under any circumstance, be allowed to switch groups. Students are expected to exercise teamwork and contribute meaningfully to the group project. A duly accomplished peer evaluation form shall be submitted by each group member along with the group's written report.

Consultation	If needed, students are highly encouraged to schedule consultation with the faculty within the consultation schedule provided. Such shall be conducted at the consultation area in the CKS College Faculty Room.
Others	Both student and faculty are responsible for maximization of class contact hours to ensure satisfaction of course learning outcomes. Once the class period has started, no one is allowed to leave the classroom, unless officially requested by the Administration Office and/or allowed by the instructor. Leaving the classroom at any time within the scheduled class period, whether for short or extended periods of time, is strongly discouraged. Students should go to the toilet before or after class, or during the scheduled break within 3-hour class periods.

Prepared by:

Prof. Antonio Eriberto Cabug, CPA, MBA

Approved by:

Prof. Ankiat Byron Co, CPA, MBA

Approved by:

Dory Poa, Ph.D.  
OIC, Deans' Council