



The Hashemite University  
Faculty of Economics & Administrative Sciences  
2018/2019

**1802012301: Financial Economics (2)**

<b>Coordinator:</b>	
<b>Office:</b>	.....- Economic Faculty
<b>Office Hours:</b>	sun.tus.th (11:00 – 12:00)
<b>Email:</b>	..... @hu.edu.jo
<b>Instructor</b>	.....

**Note:** Please note that this syllabus is considered the schedule for this course that will be strictly applied. Therefore, the student must always review this syllabus.

**Prerequisite:**

The student should already complete the prerequisite of this course which is the Financial Economics 1 (1802012201). In addition, the students are expected to be at least in their third studying year and have studied different courses from the principles materials.

**Course Description:**

This course introduces the students into advance topics in the financial field related to the capital structure theory, Miller and Modigliani propositions, capital budgeting for the levered firms, efficient market hypothesis, payout policy, short term financial planning, and leasing.

**Course Objectives:**

After studying this course, the student will be able to discuss the justifications for the firms' differences in capital structure mix, and the student will perceive the ways by which firms put their dividends policy and choose their credit management and short term financing policies, understanding how the levered firms are evaluated, understanding the forms of the efficient market hypothesis and its applications on the real world, and understanding the leasing as an important financing method.

**Required textbooks:**

*Modern Corporate Finance*, by Ross, Westerfield, Jaffe, and Jordan, McGRWA HILL, 9<sup>th</sup> edition.

**Student Responsibility:**

The student is expected to attend the classes regularly in order to interact in the class discussion and to take draft notes from the instructor presentation. These notes from the class discussion in addition to the textbook are considered the required material for this course and its exams. It is unacceptable from the students to figure excuses for not attending the classes. The student must take the responsibility for not attending or for any disregarding of rules and instructions; and "I didn't know" is not an excuse. *Please don't come to the class late or leave early, and put your cell phone on the silent mode or turned off.*

**Academic Misconduct:**

The students' misconduct includes cheating, identity plagiarism, and annoying in the lectures or the exams. In addition, any academic dishonesty is considered as misconduct. The students' misconduct will be treated according to the punitive rules

of the Hashemite University which should be known by the students, and the most important thing that the students should know on the first place; is their responsibility toward themselves. They should conduct according to what is better for their interest and what is the appropriate behavior for a college student, and they must afford the consequences of their actions.

**Examinations:**

The students should be prepared for the exam by reading the chapters covered for the exam from the textbook; in addition they should review their notes from the class discussions and presentations. *The students should take the exams at the scheduled times, in which the make-up exam will not be a good choice.*

**Grading Policy:**

The grades in this course allocated as follows:

- First Exam: 30points
- Second Exam: 30 points
- Final Exam: 40 points

The grades awarded when the student completes the required exams and submits any required homework, in addition the student is required to attend the lectures and to interact in the class discussion.

**Course Schedule:**

The chapters that will be covered in this course from the textbook and the estimated time for each chapter may depend on the students' preparation and their efforts along with the lecturer effort to keep the schedule that maintained for this course.

<b>Chapter Title</b>	<b>Time</b>
Syllabus	1 hour
Ch.26: : Short-Term Financing and planning	6 hours
Ch.28: : Credit Management	3 hours
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<b>First Exam: 10-3-2015 TUESDAY</b>	1 hour
Ch.19 : Dividends and other pay out	6 hours
Ch. 16: Capital Structure: Basic Concepts	4 hours
<b>Second Exam: 14-4-2015 TUESDAY</b>	1 hour
Ch .17capital Structure: Limits to the Use of Debt	3 hours
Ch.21: Leasing	5 hours
General course review	5 hours