

## **COURSE DESCRIPTIONS 科目簡介**

### **COURSES FOR TAUGHT POSTGRADUATE PROGRAMMES**

#### **FIN520 Corporate Finance (3 credits)**

This course covers the theories and practice of corporate finance. The topics addressed in this course include risk and return, capital budgeting, bond valuation, equity valuation, capital structure theories and decisions, payout policy, and raising debt and equity, and working capital management.

#### **FIN521 Financial Markets and Investment Analysis (3 credits)**

The course provides students with a strong foundation for the understanding of various securities that are traded in financial markets. These securities include bonds, stocks, futures/forward and options. Emphasis will be put on the introduction to the features of these securities and the valuation methodologies. Some other assets, including securities market indices and alternative investment products will also be introduced. The course will also address some important topics of investing in the financial markets, including investment-related ethics, professional conduct and regulatory issues, technical and fundamental analysis, and efficient market hypothesis.

#### **FIN522 Management of Financial Institutions in Hong Kong and Mainland China (from 2022-23) / Management of Banks, Insurance Companies, and Other Financial Institutions in Hong Kong and Mainland China (in 2021-22) / Management of Banks, Insurance Companies, and Other Financial Institutions in Hong Kong and China (in 2020-21 or before) (3 credits)**

This course provides students with the insight into the services, goals and objectives, internal problems, risk exposure, and regulatory requirements of various financial institutions. The course accomplishes this insight by (i) profiling the financial, operating, and organisational characteristics of each type of financial institution, (ii) examining the services offered by these firms to the public, (iii) identifying major risks faced by different types of financial institutions, (iv) introducing various tools and methods for measuring and controlling various financial risks, (v) recognising the regulatory requirements and understanding compliance procedures, and (vi) learning Fintech development and solutions in financial institution. The emphasis of the course is placed on the management of depository institutions.

#### **FIN523 Quantitative Methods for Finance (3 credits)**

This computer-aided course surveys the principles of probability theory and mathematical finance for solving a diverse set of risk management problems related to the valuation and measurement of operational and financial risk exposures of the firm. The course is designed for all students interested in quantitative method applications in finance.

#### **FIN524 Principles of Risk Management (from 2021-22) / Principles of Risk Management and Insurance (in 2020-21 or before) (3 credits)**

This course is designed to give students a holistic/integrated view of risk and insurance management. Covered topics include the concept of risk, risk measurement, fundamentals of corporate risks and the rationales of corporate risk management, risk management organisation and process, concepts of compliance, insurance operations and some major tools of risk management. The course content will reflect the latest developments and industry practices in the discipline of risk and insurance management.

#### **FIN525 Fixed Income Securities (3 credits) (recoded from FIN533 from 2019-20)**

The course covers the valuation of a wide variety of fixed income securities and derivatives including pure discount bonds, coupon bonds, forwards and options on fixed income securities, interest-rate swaps, floating-rate notes, and mortgages. Other related topics include interest rate risk management and monetary policy.

**FIN530 Principles of Financial Analysis and Valuation (3 credits)**

This course is designed to introduce standard methods for financial analysis and valuation to assess the “economic reality” of firms’ financial status, risks and equity value. The course has a very practical emphasis and will use case study extensively. Spreadsheet modeling will also be used to evaluate the value of companies.

**FIN531 Derivative Securities (3 credits)**

The course focuses on the main types of financial derivatives, including futures, swaps and options and their use for hedging financial risks. There will be an extensive analysis of the most widely used option pricing models, including the Black-Scholes-Merton model, the binomial tree model, and other numerical procedures for pricing financial derivatives. The topics addressed also include the key concepts and important features of various derivatives securities, the trading mechanisms, and the concepts of volatility and volatility trading.

**FIN532 Financial Planning and Services in Hong Kong and Mainland China (from 2021-22) / Financial Planning and Services in Hong Kong and China (in 2020-21 or before) (3 credits)**

The course introduces students to the various concepts associated with financial planning and financial services. The course aims to provide practical knowledge that is necessary for financial decision making in everyday life. Topics include basic concepts of personal financial planning, investment planning, estate planning, life insurance strategies, saving for retirement, and tax issues. The course also covers the financial planning strategy that suits the risk and return profile of investors.

**FIN533 Fixed Income Securities (3 credits) (recoded to FIN525 from 2019-20)**

**FIN534 Hong Kong and Mainland China Monetary and Financial Systems (from 2021-22) / Hong Kong and China Monetary and Financial Systems (in 2020-21 or before) (3 credits)**

This course provides students with a basic understanding of the monetary and financial systems in Hong Kong and their recent development. It covers topics like functions of financial markets and institutions, international financial centres, money supply process, central banking, currency board system, and regulations of banking system and financial markets. The course also helps students understand the basic economic concepts and theories related to monetary and financial systems as well as various financial instruments/tools.

**FIN535 International Financial Management (3 credits)**

(Prerequisite: FIN520 Corporate Finance)

This course provides students with the principles and techniques relevant to financial planning, exchange risk management, investment strategy, raising capital, and performance appraisal for multinational business operations in a global context.

**FIN536 Investment and Wealth Management (3 credits)**

(Prerequisite(s): (a) FIN521 Financial Markets and Investment Analysis; and (b) FIN523 Quantitative Methods for Finance)

The course is designed to cover topics on portfolio and wealth management. The main focuses

include classical portfolio theory, strategic and tactical asset allocation, asset pricing models, basic option strategies, efficient market hypothesis, fixed income securities, and portfolio performance evaluation. Students are trained to apply what they learn during the course to financial problems in practice.

**FIN537 Real Estate Investment and Finance (3 credits)**

The course provides students with a strong foundation for understanding and applications in commercial real estate investment and financing. The investment aspects include the whole real estate acquisition process, investing in real estate funds and real estate stocks. The financing aspects include the loan markets, the bond markets, the structured real estate lending and the use of derivatives in real estate financing. Legal documentation in relation to real estate loans and bonds are also covered.

**FIN538 Securities Laws and Regulatory Framework in Hong Kong and Mainland China (from 2021- 22) / Securities Laws and Regulatory Framework in Hong Kong and China (in 2020-21 or before) (3 credits)**

The course provides the students with an understanding of fundamental legal concepts and to apply them in the context of the regulatory framework of Hong Kong and Mainland China's financial services industry. It enables students to understand conceptual frameworks drawn from law to the analysis of regulatory issues and to formulate financial strategies and predict their outcomes.

**FIN539 Algorithmic Trading and Quantitative Strategies (3 credits)**

(Prerequisite(s): (a) FIN521 Financial Markets and Investment Analysis; and (b) FIN523 Quantitative Methods for Finance)

The course provides a comprehensive view of the algorithmic trading paradigm and the key quantitative finance foundations of these trading strategies. Topics include financial modeling and its pitfalls, algorithmic trading, factor model based strategies, portfolio optimization strategies, momentum strategies, mean-reverting strategies, regime switching, high-frequency trading strategies, seasonal trading strategies, exit strategy, and backtesting. Practical applications will be stressed.

**FIN540 Venture Capital and Private Equity (3 credits)**

This course focuses on the availability and use of venture capital and private equity by small- and medium-sized and growing companies. The course is recommended for students considering careers in the venture capital and private equity industries and merchant and investment banking, as well as those who anticipate careers as entrepreneurs. Topics include issues in the financing of entrepreneurial companies, business assessment and valuation, transaction and negotiation strategies, and exit strategies. This course will cover a range of industries and financing structures.

**FIN541 Insurance Law in Hong Kong and Mainland China (from 2021-22) / Insurance Law in Hong Kong (in 2020-21 or before) (3 credits)**

This course does not presume any legal knowledge on the part of the students. Students will be given a general survey of the insurance market in the 21<sup>st</sup> Century and a brief historical development of insurance regulations in Hong Kong and Mainland China. They will then be taught the main features of insurance contracts, the legal duties of the insurers, the insured and the intermediaries. Clauses in the special types of insurance policies will be analysed in order to find out their main characteristics. Relevant Hong Kong cases will be discussed in class.

**FIN542 Insurance Practice in Hong Kong and Mainland China** (from 2021-22) /  
**Insurance Practice in Hong Kong and China** (in 2020-21 or before) **(3 credits)**

This course is intended to help individuals learn basic information concerning Insurance Markets, Property and Liability, and Life and Health Insurance. The first segment of the course provides the general theory of insurance markets. The second segment focuses on Life and Health insurance. The third segment covers business property and liability risk management, related Mainland Insurance Law and the insurance market development in the Greater Bay Area. The on-going insurance practice and regulation topics in Hong Kong and Mainland China will also be discussed throughout the course.

**FIN543 Introduction to FinTech (3 credits)**

(Prerequisite(s): (a) FIN520 Corporate Finance; (b) FIN521 Financial Markets and Investment Analysis; and (c) FIN523 Quantitative Methods for Finance)

The world of banking and investment services are changing rapidly with the emergence of start-up financial technologies, collectively referred to as FinTech, that are not only empowering or disrupting the status quo, but also shaping the future of the financial market. Taught as a series of practical seminars, this course covers the major topics of the FinTech start-up ecosystem in Asia, including stored value retail payment system, virtual bank, crypto currency, Internet finance, RegTech and SupTech. In addition, hands-on implementations of these FinTech solutions will be introduced in computer room.

**FIN545 Environmental Social and Governance (ESG) Investing and Sustainable Finance (3 credits)**

ESG knowledge and skills are critical for developing ESG thinking, which is embedded in almost all investment settings nowadays for the promotion of sustainability in capital market. This course introduces (1) the background, current developments and trends of ESG investing, (2) the participants, institutions, and various financial instruments in ESG marketplace, and (3) the concepts, framework, techniques, data and toolkits related to using ESG considerations for identifying and informing sustainable investment solutions.

**FIN600 Case Studies in Finance (3 credits)**

This course is designed to study the important financial decisions of corporations. The course emphasis will be put on the link between applications and theoretical work. Students will work toward this goal through the discussions of financial cases covering topics such as capital structure, investment valuation, raising capital, corporate governance, and M&A decisions.

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