€TRAINING

The Oxford 5-Day MBA in Finance



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Introduction:

Today's business professionals must understand the flow of financial resources. Such an understanding is needed daily; whether it is used to anticipate trends, evaluate company performance, or obtain funding. People from non-financial backgrounds are often called upon to make decisions based on modern financial controls, and they must have the know-how to navigate the financial systems that have a significant impact on their professional responsibilities.

This course designed to provide business professionals with a deeper understanding of corporate finance as practiced by today's most powerful companies. Designed specifically for non-financial personnel, this intensive seminar approaches the subject of finance as it relates to the corporation as a whole.

Course Objectives:

At the end of this course the participants will be able to:

- Understand the appropriate discount rate to be used in investment appraisal
- Understand the pros and cons of different types of financing
- Recognize the factors must be considered in deciding on a dividend policy
- Learn what is the exact nature and scope of the issue to be analyzed
- Define products are available to manage risk
- Understand why is correlation so important in managing risk
- Understand specific variables, relationships, and trends are likely to help analyze an annual report
- Get the ability to actively participate in financial decision making
- Appreciate the relative merits of varying asset classes.
- Recognize the importance of risk in determining the cost of capital
- Utilize sophisticated investment appraisal techniques
- Appreciate the key items from an annual report and recognition of important ratios and linkages
- Recognize the appropriate tool to manage risk
- Integrate with spreadsheet modeling

Targeted Audience:

- High-Level Managers integral to the decision-making process
- Non-Financial Business Professionals managing who has been promoted to financial positions
- Financial Professionals wanting an update or a refresher of their knowledge
- Junior Managers working in the finance area
- People who want to gain great knowledge to improve their career

Course Outlines:

Unit 1: Introduction to the Financial Markets:

- An introduction to the equity markets:
  - IPO
  - Market Indices

- International Equity Market Links
- An introduction to bond markets
- Long Term versus Short Term
- Treasury versus Corporate
- Types of Bond
- The spot and forward market
- Exchange Rate trends and linkages
- Carry Trades
- Futures
- Options
- An introduction to the FX market
- An introduction to the Derivatives Market
- The link between risk and return

Unit 2: Evaluating Investment Opportunities:

- The Markowitz model of Portfolio Risk
- The Capital Asset Pricing Model
- The time value of money and discounted cash flow techniques
- The Gordon Growth Model
- A practical application of forecasting dividends
- Determining the Cost of Debt
- The Ameritrade Case
- The importance of the cost of capital
- Scenario analysis
- The weighted average cost of capital WACC
- A practical application of the IRR approach
- Pitfalls in using the IRR approach
- Investment Appraisal using the Net Present Value approach
- Payback and adjusted Payback
- The Internal Rate of Return IRR approach
- Real Options

Unit 3: Annual Report:

- The Balance Sheet
- The Income Statement
- The Cash Flow Statement
- Ratio Analysis
- Forecasting Sales
- The cost of sales approach

Unit 4: The Corporate Financing Decision:

- Financial Leverage
  - Modigliani and Millers Theory of Capital Structure
  - The Risk of Bankruptcy
  - The Optimal Capital Structure
- The Dividend Decision
- The clientele effect
- The taxation effect
- The principal-agent problem

- The market for Corporate Control

Unit 5: Risk Management:

- Hedging Exchange Rate risk using:
    - The forward market
    - The options market
    - Zero cost collars
- Hedging commodity price risk using:
- Options
- Futures