

**AEDECON 3103 (30641): Principles of Agribusiness Finance
Spring 2021**

Instructor: Mr. Ernest E. Dancer
Office: 338 Ag. Administration Building
E-Mail: dancer.1@osu.edu

Class Time: Synchronous / Asynchronous on Zoom
Tuesday & Thursday 12:45pm to 2:05pm

Zoom Invitation:

<https://osu.zoom.us/j/93847409366>

Meeting ID: 938 4740 9366

Password: 073735

Teaching Assistant: Jong Hoon Shin.775@osu.edu

Office Hours: Will be posted as needed

Course Website: You may download all lecture notes, homework assignments, and other relevant materials from the course website at www.carmen.osu.edu.

Required Textbook: Berk, DeMarzo and Harford, Fundamentals of Corporate Finance: Fourth Edition. Pearson.
ISBN 13: 978-0-13-447556-1.

A Financial Calculator is suggested but not required: The most common models are the TI 83 or TI 84. Acceptable options are TI BA II Plus, HP-10B, HP-12C

Course Objectives: The goal is to introduce students to managerial corporate finance. The primary focus of the course will be on fundamental financial concepts such as financial statements and ratio analysis, business taxes, functioning of U.S. security markets, asset valuation, discounting methods to evaluate investment alternatives, the cost and structure of capital. Students will also learn how to construct and interpret financial ratios to assess the financial performance of firms and how to perform risk analysis of an investment portfolio.

Attendance: I will be lecturing from the power points that will be posted on Carmen prior to each week's schedule. The zoom lectures will be recorded and saved on Carmen for later viewing. The content of the lectures and discussions is designed to supplement assigned readings and completion of homework and other assignments that that you will be asked to complete; therefore, it is important to keep up with the readings in the textbook. Students will be expected to review the material and the power points prior to the class lectures, which should help with your understanding of

the material. I will make myself available through Zoom for questions from Students as needed.

Evaluation: There will be six homework assignments, and three tests. All assignments, homework, tests, and other assignments will have a due date. The homework and tests must be completed and submitted through Carmen.

Late Submission Policy: You should submit assignments on time or be subject to a reduction of 5 points per day for late submission up to three days except for cases of documented emergency. Assignments will not be accepted after three days from the due date. Occasionally, I may disallow late submissions if the three-day period interferes with the amount of time needed to review material in preparation for an exam. You will be expressly notified when late submissions are not allowed.

Grading:

Homework (Best 5 out of 6 for 40 points each)	200 points
Exam # 1	100 points
Exam # 2	100 points
Exam # 3	100 points
Total Points possible	500 Points

[449 - 500 points]	A	[375-389 points]	C+
[440 - 449 points]	A-	[350-374 points]	C
[425 - 439 points]	B+	[340-349 points]	C-
[400 - 424 points]	B	[325-339 points]	D+
[390 - 399 points]	B-	[300-324 points]	D
		<300 points	E

Academic Misconduct: Each student is responsible for his or her own work on exams and exercises. Plagiarism and other forms of cheating will not be tolerated. University rules provide severe penalties for academic misconduct, ranging from course failure to dismissal from the university. The instructor is required by the University to report all suspected cases of academic misconduct to the Committee on Academic Misconduct (University Rule 3335-5-487).

Tentative Course Schedule and Reading Material

<i>Week</i>	<i>Topic</i>	<i>Readings & Assignments</i>
Unit #1		
1/11 – 1/17	Course Introduction and overview, Stock and Bond and investment basics, Chapter 1- Corporate Finance and The Finance Manger	Materials and Lecture notes on Carmen

1/18 - 1/24	Chapter 2 – Introduction to Financial Statement Analysis, plus personal financial statements	Materials and Lecture notes on Carmen Homework #1 – due in Carmen 1/24
1/25 – 1/30	Chapter 3 – Time Value of Money Introduction; valuing cash streams	Materials and Lectures on Carmen
2/01 - 2/06	Chapter 4 – Time Value of Money / Chapter 5 – Interest Rates	Materials and Lecture Notes on Carmen Homework #2 – due in Carmen 2/06
2/08 - 2/13	Interest Rates and The Time Value of Money Continued and review for Test 1	Test #1 - Chapters 1, 2, 3, 4, & 5 is due in Carmen on 2/14
Week	Topic	Readings & Assignments
Unit #2		
2/15 - 2/20	Chapter 6 - Valuation of Bonds	Materials and Lecture Notes on Carmen Homework #3 - due in Carmen 2/27
2/22 - 2/27	Chapter 7 - Valuation of Stocks	Materials and Lecture Notes on Carmen
3/01 - 3/06	Chapter 8 – Investment Decision Rules	Materials and Lecture Notes on Carmen Homework #4 – due in Carmen 3/7
3/08 – 3/13	Chapter 9 - Fundamentals of Capital Budget.	Materials and Lecture Notes on Carmen
3/15 - 3/11	Capital budgeting continued, and review for Test 2, chapters 6,7,8,9.	Materials and Lectures Notes on Carmen Test #2 due in Carmen on Chapters (6, 7, 8, 9)
Week	Topic	Readings
Unit #3		
3/22 - 3/27	Chapter 10 – Stock Valuation: A second Look	Materials & Lecture Notes on Carmen

3/29 – 4/03	Chapter 11 – Risk and Return in Capital Markets	Materials & Lecture Notes on Carmen Homework – due in Carmen on 4/04
4/05 - 4/10	Chapter 12 – Systemic Risk and the Equity Risk Premium, CAPM	Materials & Lecture Notes on Carmen
4/12 – 4/17	Chapter 13 – The Cost of Capital	Materials & Lecture Notes on Carmen Homework #6 – due on Carmen on 4/14
4/19 - 4/24	Chapter 21 - Option Applications and Corporate Finance	Materials & Lecture Notes on Carmen Term Project due in Carmen on 4/23
4/26 – 4/29	Test #3 chapters 10, 11, 12, 13, 15	Materials & Lecture Notes on Carmen Test #3 due in Carmen on 4/27. Chapters 10,11,12,13, 21