

FMB551E: Computer Programming in Finance

KAIST Business School, Spring 2015

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Class times: Tuesday/Thursday 2:30 – 4:00 p.m.

Office Hours: Tuesday 4:00 – 5:00 p.m.

Teaching Assistants: (Tel: 958-3968)

Description: This course provides an introduction to the implementation of common financial models using EXCEL and VBA(Visual Basic with Applications). This course covers a number of topics in corporate finance and investments. The topics are net present value, cost of capital, financial statement modeling, portfolio models, efficient portfolio and Monte Carlo of investment problem.

Textbook: *Financial Modeling, fourth ed.*, (2014) by Simon Benninga, MIT Press

Homeworks: There will be several homeworks in this course. Identical work receives zero marks for everyone involved. Unless otherwise stated in class, homeworks will be due in one week. The due date for assignments is strict. If your homework solution is submitted after the due date you will lose 20% of your score for each late business day.

Grading:

- Participation 10 %
- Homeworks 30 %
- Final Exam 60 %

Topics:

- EXCEL functions
- Introduction to VBA
- Basic financial calculations
- Cost of capital
- Portfolio model
- Black-Scholes model
- Monte Carlo methods