

FINANCE

The Master of Science in Finance prepares students for success in the financial professions. Students elect either the Corporate Finance or the Investments concentration. The program is open to students with strong quantitative and analytical skills, regardless of their undergraduate major.

Students may enroll on a full- or part-time basis, but course availability is greatest during the fall and winter semesters. The program usually can be completed within 12-16 months of full-time study. Admission is rolling, and students may begin the program in September or January. May admission is also usually possible for part-time students.

University of Michigan-Dearborn students who have been admitted to the MS-Finance may take up to 6 graduate credits during the final semester of their undergraduate program. Students must successfully complete their undergraduate degree before taking any additional graduate-level courses.

MS in Finance Program Goals and Objectives

Goal 1: Students will demonstrate analytical skills in solving problems.

Objectives of the Corporate Finance concentration: MS in Finance students will have the ability to:

- Analyze and manage risk in a global setting.
- Estimate the value of real assets.
- Evaluate managerial decisions concerning financial policy.

Objectives of the Investments concentration: MS in Finance students will have the ability to:

- Analyze and manage risk in a global setting.
- Estimate the value of financial assets.
- Apply portfolio theory concepts to construct optimal risky assets portfolios that meet the objectives and constraints of their clients.

Goal 2: Students will be persuasive and/or informative communicators.

Objective 1: MS in Finance students will be able to convey finance knowledge through effective communication.

MS in Finance Admission Prerequisites

- Mathematics admission prerequisite. Calculus is not required for admission to the MS in Finance. However, applicants who wish to pursue careers in investments or risk management, as well as those who wish to earn Chartered Financial Analysts (CFA) credentials, are strongly recommended to satisfy the Mathematics admission requirement with a college level Calculus course. Also, Calculus is a course prerequisite to FIN 656, an optional course in the Investments concentration. Students who wish to take this course must first complete a college level Calculus course with a grade of "C" or better.
- GMAT/GRE admission prerequisite, unless applicant qualifies for the exemption

MS in Finance Curriculum

Code	Title	Credit Hours
Foundation Courses ¹		
Required:		
ACC 505	Devel & Interp Financial Info	3
BE 530	Econ Analysis: Firm & Consumer	3
DS 520	Applied Statistical Modeling	3
FIN 531	Fin Fundament & Value Creation	3
Concentration		
Select one of the following concentrations:		21-30
Total Credit Hours		30-33

General MSF Requirements

- Complete at least 15 BE and FIN credits, excluding BE 530 and FIN 531.
- Complete at least 30 credits in the degree program.

At most 3 courses/9 credits of the 4 required foundations courses may count toward the 30-credit degree requirement. Previous undergraduate or graduate coursework deemed substantially similar to ACC 505, BE 530, DS 520 or FIN 531 may qualify to exempt students from those courses. Exempt courses must be replaced with elective courses within the degree program.

In addition, up to 6 transfer credits for previous equivalent graduate coursework can be applied to the degree if those credits have not been counted toward a degree.

Exemptions and transfer credit are granted at the discretion of the program faculty.

Concentrations

Corporate Finance

Code	Title	Credit Hours
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Required:

FIN 581	Topics in Corporate Finance	
FIN 650	Corporate Valuation & Strategy	
FIN 652	Derivatives & Risk Management	

Accounting Electives:

Select two of the following: ²		6
ACC 514	Financial Reporting	
ACC 516	Advanced Accounting	
ACC 555	Cost Management	
ACC 560	Intro Federal Income Taxation	
ACC 601	Information Tech Auditing	
ACC 603	Controllershship	
ACC 608	Financial Statement Analysis	
ACC 660	Advanced Federal Income Tax	

General Electives:

		6-15
BE 583	Global Econ: Crisis & Growth	
FIN 651	Invstmnt Proc, Analysis & Mgmt	
FIN 654	Financial Intermediation	
FIN 655	International Financial Mgt	

FIN 657	Investment Fund Management
BA 690	Graduate Research
BI 500	Business Internship
At most one of the following:	
DS 630	Applied Forecasting
DS 631	Decision Analysis
DS 632	System Simulation

Investments

Code	Title	Credit Hours
Required:		
ACC 608	Financial Statement Analysis	
FIN 651	Invstmnt Proc, Analysis & Mgmt	
FIN 652	Derivatives & Risk Management	
FIN 653	Topics/Investments & Cap Mkts	
Electives:		9-18
BE 583	Global Econ: Crisis & Growth	
FIN 581	Topics in Corporate Finance	
FIN 654	Financial Intermediation	
FIN 655	International Financial Mgt	
FIN 656	Fixed Income Securities	
FIN 657	Investment Fund Management	
BA 690	Graduate Research	
BI 500	Business Internship	
At most one of the following:		
DS 630	Applied Forecasting	
DS 631	Decision Analysis	
DS 632	System Simulation	

¹ Previous equivalent undergraduate or graduate coursework may qualify students to exempt any of the foundation courses. Students may complete the MS-Finance in 30 credit hours if they have completed one or more equivalent courses, with a converted grade of 'B' or better, before admission. Otherwise, students complete all four foundation courses in the program, for a total of 33 credit hours.

² At least one of the two Accounting electives must be ACC 514, ACC 555 or ACC 608.

- MBA/MS Finance (<http://catalog.umd.umich.edu/graduate/college-business/dual-degrees/mba-ms-finance/>)
- MS Accounting/MS Finance (<http://catalog.umd.umich.edu/graduate/college-business/dual-degrees/ms-accounting-ms-finance/>)

FIN 531 Fin Fundament & Value Creation 3 Credit Hours

This course provides the fundamentals of the finance discipline with an emphasis of value creation as the primary objective of a corporation. Capital budgeting analysis and techniques are extensively discussed. Valuation of securities is presented along with an introduction to modern portfolio theory and market efficiency. Issues related to international financial management are also introduced.

Prerequisite(s): (Mathematics Placement with a score of 105 or MATH 104 or MATH 105 or MATH 113 or MATH 115) and (DS 520* or IMSE 514*) and ACC 505

Restriction(s):

Can enroll if Class is Graduate

FIN 581 Topics in Corporate Finance 3 Credit Hours

This course integrates theory and practice for major topics such as capital structure and dividend policy. Additional topics include leasing, corporate governance, mergers and acquisitions, short-term financial management, and risk management. These topics are examined from the perspective of the corporate financial manager.

Prerequisite(s): FIN 531 and BE 530* and ACC 505 and (DS 520 or IMSE 514)

FIN 650 Corporate Valuation & Strategy 3 Credit Hours

This course examines a variety of financial management topics, such as project and enterprise valuation and risk analysis, corporate restructuring, dividend policy, corporate governance, and current asset management using case studies and readings.

Prerequisite(s): FIN 581 and BE 530

FIN 651 Invstmnt Proc, Analysis & Mgmt 3 Credit Hours

This course provides an examination of the process of investment analysis and management. Topics include: analysis of fixed income securities, stock valuation, and introduction to derivative securities; discussion of portfolio theory and management; and an overview of investment environment. Wherever it is appropriate, the above topics will also be discussed in a global context.

Prerequisite(s): ACC 505 and FIN 531 and (DS 520* or IMSE 514*)

Restriction(s):

Can enroll if Class is Graduate

FIN 652 Derivatives & Risk Management 3 Credit Hours

The focus of this course is on understanding the derivative securities and their use in risk management. This course provides an in-depth introduction to options and option pricing as well as an extensive overview of forward, future and swap contracts. This course will draw upon the intuition and analytic tools developed to examine sophisticated financial products or strategies that firms and investors have used in their risk management.

Prerequisite(s): FIN 531 and ACC 505 and (DS 520 or IMSE 514)

Restriction(s):

Can enroll if Class is Graduate

FIN 653 Topics/Investments & Cap Mkts 3 Credit Hours

This course prepares students for career development and advancement in the challenging investment profession. The course provides an in-depth study of advanced contemporary topics in global investments and capital markets that are selected from the common body of knowledge of the Chartered Financial Analysts (CFA) program. Topics may include a subset of: advanced investment theory and valuation techniques, asset allocation, behavioral finance, hedge fund, emerging markets and global investing, ethics for investment professionals, financial statements and security analysis, market efficiency, market microstructure, portfolio management and performance evaluation, etc. The format and the topics may vary in each offering.

Prerequisite(s): FIN 651 and (DS 520 or IMSE 514)

Restriction(s):

Can enroll if Class is Graduate

FIN 654 Financial Intermediation 3 Credit Hours

Financial Intermediaries provide services to borrowers and lenders, often creating new securities or providing brokerage services broadly defined. Intermediaries include depository institutions such as commercial banks and non-depository institutions such as security firms, pension funds and insurance companies. This course studies the functions of intermediaries, the industry regulations, and competition in a deregulated environment. Special emphasis is placed on financial markets and fiscal instruments created by intermediaries, risk of intermediation, risk management, and financial innovations in the industry.

Prerequisite(s): FIN 531* and ACC 505 and (DS 520 or IMSE 514)

FIN 655 International Financial Mgt 3 Credit Hours

This course views international finance at the micro level, but of necessity it will cover some aspects of macro-level international finance as well, such as the international financial system and balance of payments mechanism. The following topics will be covered: the international financial system, balance of payments, foreign exchange, exchange risk management, international financial markets, foreign investment, and foreign trade financing.

Prerequisite(s): FIN 531 and ACC 505 and BE 530 and (DS 520 or IMSE 514)

FIN 656 Fixed Income Securities 3 Credit Hours

The fixed income market, accompanied by the introduction of sophisticated financial engineering techniques, has grown enormously over the last two decades. Today, the fixed income market has been a vital segment of the global financial market. This course covers major topics associated with this market, including bond pricing, yields, and volatility; term structure of interest rates and yield curve; market structure and analytical techniques for Treasury, municipal, corporate bonds, mortgage-backed securities, asset-backed securities, and bond with embedded options. The fundamental objective of this course is to help students develop analytical skills for pricing fixed income securities and managing interest rate risk. In addition, materials covered in this course are compatible with the Common Body of Knowledge in Analysis of Debt Investments that is required by the Chartered Financial Analysts (CFA) examination. Students will not receive credit for both FIN 456 and FIN 656.

Prerequisite(s): (MATH 113 or MATH 115 or Mathematics Placement with a score of 116) and FIN 651* and (FIN 581 or FIN 652 or FIN 654 or FIN 655)

Restriction(s):

Can enroll if Class is Graduate

FIN 657 Investment Fund Management 3 Credit Hours

This course introduces finance students to investing approaches and analytical techniques including both Intrinsic and Relativistic analyses used for security analysis employed and implemented by professional money managers. The course is recommended for finance students seeking to develop careers related to money management, investment analysis, financial analysis, portfolio management and related financial services careers. The main focus of the course is to gain the experience and skills of equity securities analyses through the Student Managed Investment Fund. The course requires application of fundamental and intrinsic equity analyses valuation. Graduate students are required to analyze data at a more advanced level than that required of undergraduate students. (F,W,OC) Students cannot receive credit for both FIN 457 and FIN 657

Prerequisite(s): FIN 407 or FIN 651

* An asterisk denotes that a course may be taken concurrently.

Frequency of Offering

The following abbreviations are used to denote the frequency of offering: (F) fall term; (W) winter term; (S) summer term; (F, W) fall and winter terms; (YR) once a year; (AY) alternating years; (OC) offered occasionally