

Course Description for the Department of Finance and Banking

55141 MICROECONOMICS {3} [3-3]

Basic economic concepts; demand and supply theory; elasticity; consumer behavior; indifference curves analysis; production and costs; market structure: perfect competition, pure monopoly, monopolistic competition and oligopoly; input market.

Prerequisite: No Prerequisite:

55211 FINANCIAL MANAGEMENT (1) {3} [3-3]

Basic concepts in financial management; tools of financial decision-making; overview of financial management; financial statements; analysis of financial ratios; time value of money.

Prerequisite: 53101 Accounting (1)

55142 MACROECONOMICS {3} [3-3]

Production possibility curve; the national income and its components aggregate income; aggregate expenditures; aggregate supply; consumption and savings; theory of multiplier; fiscal and monetary policy and their effect on economic stability; unemployment and inflation; money and banking; international trade; the exchange rate and the balance of payment; economic development and economics growth.

Prerequisite: 55141 Microeconomics

55151 FINANCIAL MATHEMATICS {3} [3-3]

Linear functions and economic application; quadratic functions and economic application; exponential and logarithmic equations and economic application and functions and economic application; mathematics in finance; differentiation and economic application; partial differentiation and economic application; matrices and economic application.

Prerequisite: No Prerequisite:

55152 BUSINESS STATISTICS {3} [3-3]

Elementary principles and applications of descriptive statistics; counting principles; linear regression and correlation and ANOVA; elementary probability principles; probability distributions; test of hypothesis and confidence interval.

Prerequisite: No Prerequisite:

55212 FINANCIAL MANAGEMENT (2) {3} [3-3]

Working capital policy: short-term financial management, net working capital and the related trade-off between profitability and risk; managing cash and marketable securities: management of receipts and disbursements, including float, speeding collections, slowing payments, cash concentration, and investing in marketable securities; credit management: procedures for quantitatively considering cash discount changes, other aspects of credit terms, and credit monitoring; inventory management.

Prerequisite: 55211 Financial Management (1)

55213 FINANCIAL ANALYSIS {3} [3-3]

Comprehensive analyses to common financial statements; financial ratios interpretation; profitability analysis; models related to determine the intrinsic value of business institutions.

Prerequisite: 55211 Financial Management (1)

55221 INVESTMENT MANAGEMENT {3} [3-3]

Investment background: distinguish between real assets and financial assets, objectives of investment, investment instruments; risk and return: risk, return, security market line, systematic risk, unsystematic risk, the relationship between risk and expected return, beta in a portfolio sense; bond and stock valuation; diversification and asset allocation.

Prerequisite: 55211 Financial Management (1)

55222 INSURANCE MANAGEMENT {3} [3-3]

Basic concepts; nature of risk: types of risk that can be insured, how risk can be insured, nature of risk characteristics of risk; insurance channels; insurance procedures; types of insurance contracts; reinsurance procedures; the insurance sector in Jordan.

Prerequisite: 55211 Financial Management (1)

55231 BANKS MANAGEMENT {3} [3-3]

Basic forms of banks; basic objectives of the banking system; relationship between banks profitability and return; banks financial statement analysis; managing deposits; managing capital; banks regulations and control.

Prerequisite: 55211 Financial Management

55232 ISLAMIC BANKS MANAGEMENT {3} [3-3]

Historical development of Islamic banks; components of the Islamic banking systems; Islam perception of Usury; deposits and the cycles of investment and financing; financial operation in Islamic banks; the calculation and distribution of profits between shareholders and investors.

Prerequisite: 55231 Banks Management

55333 FINANCIAL MARKETS AND INSTITUTIONS {3} [3-3]

Overview of financial system: principles, functions, and mechanism of financial markets and institutions; role of interest rates in the financial system; features of securities traded in financial markets; efficient markets hypothesis; functions of depository and non-depository financial institutions.

Prerequisite: 55221 Investment Management

55309 FINANCIAL CONTRACTS AND DERIVATIVES {3} [3-3]

Introduction to financial contracts and derivatives: financial derivatives and their use in risk management, trading of financial contract; forwards and futures: the difference between forwards and futures, valuing forwards and futures; options: calls and puts, characteristics of options, option valuation techniques; swaps.

Prerequisite: 55221 Investment Management

55323 PORTFOLIO MANAGEMENT {3} [3-3]

Basic concepts to portfolio management; portfolio risk and diversification; the Capital Asset Pricing Model (CAPM); the Arbitrage Pricing Theory (APT); portfolios performance evaluation.

Prerequisite: 55221 Investment Management

55325 REAL ESTATE FINANCE {3} [3-3]

Introduction to real estate finance; legal considerations in real estate finance; financing residential properties, commercial properties, and construction projects; financing land development projects; real estate funds.

Prerequisite: 55221 Investment Management

55334 CREDIT MANAGEMENT {3} [3-3]

Credit policy overview; loans characteristics; basic evaluation of commercial loans; evaluation used in consumer loans; credit risk.

Prerequisite: 55231 Banks Management

55414 CORPORATE FINANCE{3} [3-3]

Theories of cost of capital; capital structure and leverage; dividend policy; mergers and acquisitions and leasing.

Prerequisite: 55323 Financial Analysis

55416 INTERNATIONAL FINANCE {3} [3-3]

International financial environment; methods used to analyze problems in international finance; analyze securities in the international financial markets; financial operations of multinational firms.

Prerequisite: 55323 Portfolio Management

55420 VALUATION OF INVESTMENT PROJECTS {3} [3-3]

Cost of capital evaluation; cash flow estimation: initial, operating, and terminal cash flows; associated risk analysis; investment projects appraisal: capital budgeting techniques NPV, IRR, and Payback period.

Prerequisite: 55323 Portfolio Management

55425 GRADUATION PROJECT

Data gathering; data presentation and analysis; report writing.

Prerequisite: 55414 Corporate Finance

55426 FINANCIAL RISK MANAGEMENT {3} [3-3]

Basic concepts in risk management: analyzing market risk, credit risk, liquidity and operational risks; the risk management process; quantitative risk management including the calculation of VAR and CAR.

Prerequisite: Portfolio Management 55323

55344 MONEY AND BANKING {3} [3-3]

History of money; types of money; monetary policy and regulation; the role of money in economic stability; monetary systems and fiscal policy; demand and supply; money, income and prices; interest rate, money and real income; monetary policy instruments.

Prerequisite: 55142 Macroeconomics

55423 FINANCIAL PLANNING AND FORECASTING {3} [3-3]

Pro-forma financial statements; short-term financial planning; long-term financial planning; strategic issues in finance.

Prerequisite: 55213 Financial Analysis