

Department of Accounting and Finance

AG312 Advanced Corporate Finance and Financial Markets

2025/26 Semester 1

20 Module Credits

Module Details

Module Description

The module will cover financial markets, institutions, and instruments, process of financing of a corporate entity and some specialist topics (such as convertibles, real options, mergers and acquisitions international project appraisal) that are relevant for corporate decision making.

Syllabus overview

- Introduction to financial markets
- Introduction to investment banking and banking
- Overview of options from the point of view of corporate finance
- Real option pricing
- Hybrid capital
- International capital budgeting
- Introduction to Mergers and Acquisitions
- Discussion of research methods

Teaching Hours

Lectures: All weeks, Tuesdays and Thursdays 3-5pm in TL325 a&b.

Tutorials: Weeks 3, 5, 7, 9 and 11.

Please see the “Tutorial Sign Up” tab on the AG312 Myplace page here: [Course: AG312: Advanced Corporate Finance and Financial Markets | classes \(strath.ac.uk\)](#) for tutorial times/dates. All students are required to sign up for one tutorial slot per academic year. These are available on a first come first served basis.

Attendance at tutorials is compulsory and will be monitored. If your attendance is unsatisfactory then you will receive a warning letter, which will be retained in a departmental file. If you are absent from a tutorial or lab please email sbs-acccfin-admin@strath.ac.uk. If you are absent due to medical reasons please submit medical evidence or self-certificate via [Pegasus: Personal Circumstances Procedure | University of Strathclyde](#)

Prerequisites

AG215 Business Finance or Equivalent

Contact Details

Lecturer: Dr Ellie Luu

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Office Hours: Tuesdays 1:30-2:30

Tutor: Umair Afzal / Rajat Jain

Email: umair.afzal@strath.ac.uk / rajat.jain@strath.ac.uk

Module Learning

Learning Objectives and Outcomes

The following learning outcomes will contribute to your self-analysis and reflection in your Student's Personal Development Planning (SPDP). These learning outcomes will be assessed using the methods explained in the "Assessment" section in this Outline.

Subject-specific knowledge and skills

On completing this module the student will have the ability to:

- A1 Understand the reasons for the existence of financial markets and institutions and their roles.
- A2 Be familiar with the working of investment banking, equity, debt, currency and derivative markets
- A3 Understand the nature of financial regulation and the reasons for it
- A4 Understand how financial instruments are issued in the markets
- A5 Understand the theories, process and potential implications of mergers and acquisitions.
- A6 Understand the issues that are relevant for making an investment decision in foreign markets.
- A7.Understand some of advanced issues in corporate finance such as real options, warrants and convertibles, event study methods etc.

Cognitive abilities and non-subject specific skills

During the module you will:

- B1 Develop problem solving skills.
- B2 Develop skills on report writing
- B3 Develop analytical skills in problem solving

Achievement of learning outcomes

The achievement of learning outcomes will be measured through the group assignment and the final exam. The proposed group work covers a number of above principles, such as managing time & effort, encourage interaction and dialogue around learning, facilitate the development of self-assessment and reflection in training, support the development of learning communities, provide information to teachers that can be used to shape teaching. Since we will be giving feedback on the work it will help clarify what good performance is and provide opportunities to close any gap between current and desired performance. The final exam also will cover most of the above.

Module Structure

Timetable

Lecture Programme

Lecture 1. Introduction to Financial Markets and instruments

Lecture 2. Investment banking and issuing of new securities

Lecture 3. Banking regulations and risk management of banks

Lecture 4. Real Options: Introduction

Lecture 5. Real Options: Valuation (Debt, Equity, Derivatives markets, and Instruments)

Lecture 6. Real Options: Valuation

Lecture 7. Convertible bonds

Lecture 8. International capital budgeting / Introduction to M&As

Lecture 9. Mergers and Acquisitions

Lecture 10. Exam revision

Workshop Programme

Workshop 1. Introduction to Financial Markets and instruments (continue)

Workshop 2. Investment banking (continue)

Workshop 3. Banking regulations (continue)

Workshop 4. Securitized lending

Workshop 5. Shadow banking

Workshop 6. Regulations of shadow banking

Workshop 7. Financial Crisis of 2007/2008

Workshop 8. Group presentation and essay submission

Workshop 9. Q&As

Workshop 10. Event Study Method

Assessment and Feedback Details

1. Group Assignment worth 40%. Due: Monday 10th November 2025, 12pm. Marks/Feedback will be released on or before Monday 1st December 2025, 12pm.
2. Final Exam worth 60%. Date: During semester 1 exam diet.

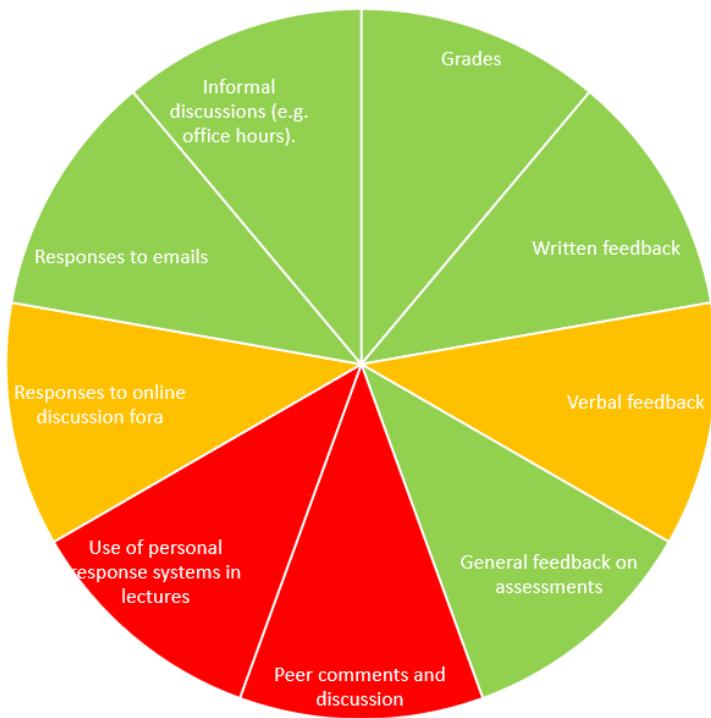
An overall weighted average mark of 40% is required to pass the module.

It is a requirement for course completion to submit all assessed coursework. Non-submission of any part will result in an overall mark of zero being awarded for the module.

The following forms of feedback will assist you in this module:

<i>Feedback category</i>	<i>Details for module</i>	<i>Colour</i>
Grades	Students will receive grades for assignment and the final exam. Assignment grades are returned within 3 working weeks. Final exam grades are returned by student business.	Green
Written feedback	Written feedback is provided on assignment and is returned within 3 working weeks.	Green
Verbal feedback	Students are able to request individual verbal feedback on assignment (with Ellie) following release of marks.	Amber

General feedback	General feedback on assignment will be provided following the assignment mark release and during the exam revision lecture in week 10.	Green
Peer comments and discussion	Students may engage in peer comments and discussions through the online discussion forum or during tutorials; however, these interactions are informal and are not officially monitored by the course lecturer.	Red
Use of personal response systems in lecture	Personal response systems are not scheduled to be used during class lectures.	Red
Responses to online discussion forum	MyPlace online Assessment Q&As forum is opened for the two weeks prior to the final assessment. Questions posted in the forum are answered by the class lecturer.	Amber
Responses to email	Students are encouraged to use office hours and email to ask questions relating to the course material. Students can email the course administrator for general enquiries about the class, issues with signing up for tutorials etc	Green
Informal discussions	There are weekly drop-in sessions for any student wishing to discuss questions with teaching staff. Information on office hours is available under People on the class MyPlace page	Green



Resit Policy

- Students who have failed a module will be given the opportunity to resit the module during the next resit diet.
- Results for resits will not be capped at 40%.

Reassessment

If you do not pass the course on your first attempt or cannot take the exam for medical or personal reasons, you will have to take a re-sit examination. If taking the paper at your second or further attempt, your final assessment will be based entirely on your mark in the re-sit exam. A 40% mark is required in the re-sit examination to pass the class.

Artificial Intelligence

You are not permitted to use Gen-AI tools for this module unless you are a student with an adjustment report on Pegasus where this is explicitly specified as a 'reasonable adjustment'. Any student suspected of using such tools will be subject to investigation outlined in the [Student Discipline Procedure - Academic Misconduct.pdf \(strath.ac.uk\)](https://strath.ac.uk/student-discipline-procedure-academic-misconduct.pdf) process.

Reading List

Please refer to the AG312 Myplace page to access the Reading List.

Please refer to the accounting and finance UG manual module for the following ([Years 1-3 Module Manual.docx](#)):

- Tutorial Attendance
- Useful Contacts
- Penalties for Late Submission
- Feedback
- Compensation Scheme
- Resit Policy
- Reassessment
- Universal Marking Guide
- Useful Links