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| **UNIVERSITY OF ECONOMICS AND LAW**  **FACULTY OF ECONOMIC MATHEMATICS** | **THE SOCIALIST REPUBLIC OF VIETNAM**  **Independence – Freedom - Happiness** |

**ASSET VALUATION MODELS**

**CODE: MAT1018**

1. **Course Information**

*Name:* Asset valuation models

*Code:* MAT1018

*Number of credit points:* 3 (theory: 30, practice: 15)

*Pre-requisites:* Financial Management, Corporate Finance

*Type of course:* compulsory

*Year of study:* Semester 1 of Year 4

*Mode of delivery:* face-to-face

*Language of instruction:* English and Vietnamese

*Lecturer(s):*

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| Name: | Email address |
| Phone number (if applicable): | Faculty of Economic Mathematics, UEL |

1. **Course References**

*Major texts:* Tim Koller, Marc Goedhart and David Wessels, *Valuation, Measuring and Managing the Value of Companies*, John Wiley & Sons, Inc, 2005.

*Other texts:* textbooks or reference books titled “Asset Valuation” legally published

1. **Course Description**

Valuation is a classical topic since the inception of the fundamental subjects of finance and financial structure by Merton Miller and Franco Modigliani. Based on this model, we will develop popular and modern models of asset and firm valuation in different environments and conditions. In particular, the subject will delve into the models of professors Alfred Rappaport and Joel Stern (Stern Stewart & Co.) with practical applications.

1. **Course Goals**

This course aims at providing students with:

• Understanding asset and business valuation models. Assist in building business development strategies to increase its value.

• Valuation in mergers and acquisitions.

• Increasing business efficiency and creating added value.

1. **Learning outcomes**

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| *No.* | *Code* | *Expected learning outcome* |
| **1** | LO1 | To present examples linking the asset valuation models to relevant situations in practice |
| **2** | LO2 | To understand the fundamental principles of value |
| **3** | LO3 | To use the basic techniques in the course to model asset valuations |
| **4** | LO4 | To analyze, evaluate the model and measure its effectiveness |
| **5** | LO5 | To valuate international enterprises |
| **6** | LO6 | To valuate the volatility |
| **7** | LO7 | To valuate fast growing businesses, cycled businesses and financial enterprises |
| **8** | LO8 | To connect knowledge of this course with related courses |
| **9** | LO9 | To find knowledge inside and outside the syllabus to solve assignments or projects in the course |
| **10** | LO10 | To assign teamwork effectively, to present issues related to the course in a way that is easy to understand to classmates (communication skills) |
| **11** | LO11 | To use at least one software to assist with the calculation |
| **12** | LO12 | To present some examples linking the course with the context of the Industrial Revolution 4.0 |

1. **Course Assessment**

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| *Form of assessment* | | *Assessment evidence* | *Learning outcome* | *Weight* |
| **Attendance and Assignments**  **(30%)** | **Individual/Group presentation.** Each group has 20 minutes to present their works. | **30%** | | |
| Class Quizzes | LO1-10, LO12 | **50%** |
| Presentations | LO1-12 | **50%** |
| **Midterm Exam (20%)** | **Individual/ Written exam**  (75minutes/written exam; 12 multi-choices questions + 2 written questions) | **20%** | | |
| 12 multi-choices questions with 0.5 point/each and 2 written questions with 2 points/each. | LO1-7 | **100%** |
| **Final exam (50%)** | **Individual/Written exam**  (75minutes/written exam; 12 multi-choices questions + 2 written questions) | **50%** | | |
| 12 multi-choices questions with 0.5 point/each and 2 written questions with 2 points/each | LO1-10, LO12 | **100%** |

1. **Teaching plan**

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| *Week* | *Content* | *Teaching and Learning activities* | *Teaching method* | *Learning outcome* | *Assessment evidence* |
|  | Fundamental Principles of Value Creation | Teacher gives a lecture. Students ask questions, take notes and discuss. | Inquiry-based learning | LO2, LO3 | Assignments, Midterm Exam, Final exam |
|  | Conservation of Value and the Role of Risk | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO6 | Assignments, Midterm Exam, Final exam |
|  | Return on Invested Capital | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO11 | Assignments, Midterm Exam, Final exam |
|  | Growth and Valuation | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO11 | Assignments, Midterm Exam, Final exam |
|  | Frameworks for Valuation | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO3,  LO4 | Assignments, Midterm Exam, Final exam |
|  | Reorganizing the Financial Statements | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO7 | Assignments, Midterm Exam, Final exam |
|  | Corporate Portfolio Strategy | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO5,  LO7 | Assignments, Midterm Exam, Final exam |
|  | Mergers and Acquisitions | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO10 | Assignments, Midterm Exam, Final exam |
|  | Capital Structure, Dividends, and Share Repurchases | Teacher gives a lecture. Students ask questions, take notes and discuss. | Direct Instruction | LO10 | Assignments, Midterm Exam, Final exam |
|  | Pricing real estates | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3 | Final exam |
|  | Pricing machinery, equipment, production lines (Estate) | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3 | Final exam |
|  | Pricing in banks | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3,  LO8 | Final exam |
|  | Pricing rare assets, exotic assets and virtual assets | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3 | Final exam |
|  | Auction companies | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3,  LO8 | Final exam |
|  | Valuation companies and valuation certificate | Teacher gives a lecture. Students ask questions, take notes and discuss. | Problem-based learning | LO1,  LO3,  LO9,  LO12 | Final exam |

1. **Other notices**

*Minimum attendance: 80%*