

University of Washington, Department of Economics
ECON 423: Topics in Financial Economics

Spring 2019 Overall Course Schedule & Outline

Tuesday / Thursday; 3:30 p.m. – 5:20 p.m.
Classroom: Johnson Hall 111

Visiting Lecturer: Christina P. Tapia, Ph.D.

Email: ctapia@uw.edu

Office: Savery 341

Office Hours: I am happy to meet by appointment. Please email (ctapia@uw.edu) to coordinate.

Description:

The study of economics provides students with a very valuable analytical “tool kit” and the ability to apply the economic way of thinking to various issues. Students interested in finance will find that there are many useful applications of economic principles within various career paths in finance. The objective of this course is to help students identify these career paths and to work with “real-world” applications that combine economics and finance. To assist students, we will discuss various topics throughout the quarter: 1) analysis and valuation of stock; 2) insurance; 3) fundamentals of transfer pricing; 4) private equity and venture capital; and 5) private company valuation and transactions. Throughout the quarter, we will hear from individuals who will share real-world expertise and practical information to assist students as they plan for post-graduate career paths.

Readings:

Most readings will consist of articles and lecture notes/slides prepared for each topic. These **materials will be posted on Canvas**. It is the student’s responsibility to check Canvas and review the available materials, in addition to taking notes during lecture.

For two segments, we will reference excerpts from two textbooks:

- *Fundamentals of Corporate Finance*, 9th Edition by R. Brealey, S. Myers and A. Marcus, McGraw Hill Irwin.
 - Students will find this text on reserve at Foster Business Library and Odegaard Library.
 - Students may also purchase a custom electronic text *containing only the chapters referenced during the class* by visiting this website: <https://create.mheducation.com/shop/#> and entering this ISBN number: 9781309099223

- *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset*, Aswath Damodaran (3rd ed.).
 - Students will find this text on reserve at Foster Business Library.
 - Students may also purchase a custom electronic text *containing only the chapters referenced during the class* by visiting this website:
<https://www.vitalsource.com/custom/9781119423607>
 Or go to www.vitalsource.com and search for the custom ISBN: 9781119423607

Please contact me right away via email (ctapia@uw.edu) or during class if you have any trouble accessing the readings.

COURSE SEGMENTS

Additional information (including lecture slides and/or notes) for each segment will be posted on Canvas. Be sure to check Canvas for materials and announcements throughout the quarter.

Class announcements will be sent through Canvas. *It is the student's responsibility to attend class and check class announcements on Canvas to have the latest information regarding readings, exams, and scheduling.*

I. Insurance: April 2, 4, 9; Exam on April 11 (Thurs.)

Speakers:

Chip Holland, C.L.U.

President

Life & Health Underwriters, Inc.

Olga Yang, CPCU, ARM, AIM, ARe, APA, ASLI

Senior Underwriter

Philadelphia Insurance Companies

⇒ **Exam 1: Thursday, April 11**

II. Analysis & Valuation of Stocks: April 16, 18, 23; Exam on April 25 (Thurs.)

Speaker:

Steve Phelps, C.F.A., C.I.C.

President, Chief Investment Officer and Wealth Manager

Badgley Phelps Wealth Managers

⇒ **CLOSED NOTES Exam 2: Thursday, April 25**

III. Fundamentals of Transfer Pricing: April 30; May 2, 7; Exam on May 9 (Thurs.)

Speakers:

David Unger and Dickie Paria, Ph.D.
Economic and Valuation Services
KPMG, L.L.P.

⇒ **Exam 3: Thursday, May 9**

IV. Private Equity & Venture Capital: May 14, 16, 21; Exam on May 23 (Thurs.)

Speaker:

Adley Bowden
VP of Market Analysis
PitchBook Data

⇒ **Exam 4: Thursday, May 23**

V. Private Company Valuation and Transactions: May 28, 30; June 4; Exam on June 6 (Thurs.)

Speaker:

Patrick Ringland
Principal & Managing Director
Meridian Capital Investment Bankers

⇒ **Exam 5: Thursday, June 6**

Grading:

As listed above, there will be five exams, one for each course segment. *All exams are in-class exams so take note of the exam dates listed above and plan accordingly.* Additional exam details (including format, open/closed notes, calculators) will be announced during each segment. Your grade for the overall course will be the average of your segment exam grades (there is no separate final exam). The class grading scale is available on Canvas and grades are not curved.

It is my priority to ensure that this class is a valuable experience for students. To achieve this goal, each year I seek student feedback regarding the topics included and how the material is presented. This helps me design the course and update the content for the benefit of future students. Therefore, in addition to the quarter-end evaluations, you will have the opportunity to submit a “*Graded Survey*” on Canvas with

comments *at the conclusion of each segment*. A “Graded Survey” will be available on Canvas beginning the first day of each segment and *will be available only until* the first date of the next segment. While your responses are *anonymous*, Canvas will record whether each student submitted a survey. Students will receive one extra-credit point for each survey submitted (total of five over the quarter) and these extra-credit points will be applied to the lowest exam grade during the quarter. Note that once the window is closed, students will not be able to submit past surveys so it is important to complete each survey as it is available during the quarter.

Additional Resources for Students:

U.W. Economics Resources for Students: <https://econ.washington.edu/resources-students>

U.W. Career and Internship Center: <https://careers.uw.edu/>

U.W. Undergraduate Advising: <https://www.washington.edu/uaa/advising/>

U.W. Disability Resources for Students: <http://depts.washington.edu/uwdrs/>

U.W. International and English Language Programs: <https://www.ielp.uw.edu/>

U.W. Health and Wellness: <http://depts.washington.edu/livewell/>

U.W. Libraries: <http://www.lib.washington.edu/>

U.W. Undergraduate Merit Scholarships, Fellowships & Awards: <http://expd.uw.edu/scholarships/>

U.W. Student Coaching and Care: <http://depts.washington.edu/livewell/student-care/>

U.W. Student Legal Services: <http://depts.washington.edu/slsuw/>