

**Seminar on Investment Banking**  
**Spring 2010**

**Thurs. 2:20-5:20 p.m.**

Room 302, Building 2, COM

**Dr. Yong-chern Su**

Room 1004, Building 2, COM

33661089

**Course Objectives**

- I. To introduce modern investment banking theory, including investment bank reputation theory, strategic venturing theory, information asymmetry and order imbalance theory, GARCH theory, GARCH option pricing theory, LBO theory, and spin-off theory.
- II. To discuss investment banking strategies, which cover equity financing, debt financing, financial engineering and corporate restructuring.

**Class Structure**

The class notes and reference books are the foundation of this course.

**Exams**

Class participation and discussion are, among the others, very important factors in the final grading. A comprehensive report on investment banking is a requirement in this course.

**Reference books**

1. Investment Banking, by Yong-chern Su, the Second Edition, Chinese edition, 2009, Shin-lou.
2. Venture Capital and the Finance of Innovation, by Andrew Metrick, 2007, John Wiley & Sons, Inc.
3. The Business of Investment Banking --- A Comprehensive Overview, by Thomas Liaw, 2006, John Wiley & Sons, Inc.
4. The new corporate finance --- where theory meets practice, by Donald H. Chew, Jr., the third edition, 2001, Irwin and McGraw-Hill.
5. The Venture Capital Cycle, by Paul A. Gompers and Josh Lerner, 1999, MIT Press.
6. Investment Banking and Brokerage, by John F. Marshall and M.E. Ellis, the second edition, 1996, McGraw-Hill, Inc.
7. Investment Banking in the Financial System, by Charles R. Geisst, 1995, Prentice Hall, Inc.
8. Investment Banking --- A Tale of Three Cities, by Samuel L. Hayes III and Philip M. Hubbard, 1990, Harvard Business School Press.
9. Inside Investment Banking, by Ernest Bloch, 1989, Dow Jones-Irwin.
10. Leveraged Buyouts, by Stephen C. Diamond, 1985, Dow Jones-Irwin.

**Office Hours**

Scheduled office hours are:

Friday: 14:30~15:30

or by appointment.

<b>Date</b>	<b>Topics and References</b>
2/25	Introduction
3/4	Chapter 1: Primary market making theory: Investment bank reputation and strategic venturing
3/11	Chapter 1: Primary market making theory: Investment bank reputation and strategic venturing
3/18	Chapter 1: Primary market making theory: Investment bank reputation and strategic venturing
3/25	Chapter 2: Equity and debt financing strategies
4/1	Chapter 2: Equity and debt financing strategies
4/8	Chapter 2: Equity and debt financing strategies
4/15	Chapter 2: Equity and debt financing strategies
4/22	Chapter 3: Secondary market making theory: Information asymmetry and order imbalance theory
4/29	Chapter 3: Secondary market making theory: Information asymmetry and order imbalance theory
5/6	Chapter 4: Financial engineering theory: GARCH and GARCH option pricing theory
5/13	Chapter 4: Financial engineering theory: GARCH and GARCH option pricing theory
5/20	Chapter 5: Financial engineering strategy
5/27	Chapter 6: Corporate restructuring theory LBO theory and spin-off theory:
6/3	Chapter 6: Corporate restructuring theory LBO theory and spin-off theory:
6/10	Chapter 7: Corporate restructuring strategy
6/17	Chapter 7: Corporate restructuring strategy
6/24	Report Due