

Corporate Finance: Newsletter – February 16, 2019

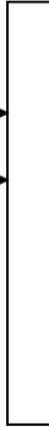
Where we are in class...

Lecture Notes Packet 1 (pdf)

Last session: Page 70



Next week: Page 123



Applied Corporate Finance Book

Last Session



Next week

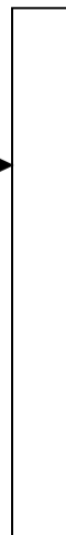


- Chapter 1
- Chapter 2
- Chapter 3
- Chapter 4
- Chapter 5
- Chapter 6
- Chapter 7
- Chapter 8
- Chapter 9
- Chapter 10
- Chapter 11
- Chapter 12

Where you should be in the project...

Project

Assess where
power lies in your
company



- Pick a company & group
- Get data from Bloomberg
- Get latest Edgar filings (10-K, 14-DEF) and annual report
- I. Corporate Governance Analysis
- II. Stockholder Analysis
- III. Risk and Return Analysis
- IV. Measuring Investment Returns
- V. Capital Structure Choices
- VI. Optimal Capital Structure
- VII. Mechanics of Moving to the Optimal
- VIII. Dividend Policy
- IX. A Framework for analysing Dividend Policy
- X. Valuation

Data Notes...

This week we looked at both the holdings structure of a company and the management governance structure to get a measure of how much power stockholders have over managers. There are services that measure the strength of corporate governance at companies, though most of them still rely on surface indicators such as measures of board independence. One of the best known is Institutional Shareholder Services (ISS) and you can get a Corporate Governance Quickscore for a company by visiting their site:

<http://www.issgovernance.com>

Often, though, it is not the numbers that tell you about your lack of power of shareholders but the sense that you get that your vote will not make a difference.

To see comparable numbers on insider and institutional holdings for the sector in which your firm operates, you can visit my web site at:

http://www.stern.nyu.edu/~adamodar/New_Home_Page/data.html

You can download the data in excel format.

Miscellaneous FAQs

I am falling behind in this class already. Do you have a TA?

There are two teaching assistants for this class. They are

1. Vikram Gulati, vg1124@stern.nyu.edu
2. Chigusa Katoku, ck2696@stern.nyu.edu

They will be running weekly sessions, every Monday from 4.45-5.45 pm in KMEC 3-70 that you can sign up for a Google Shared spreadsheet.

How long do the quizzes last?

The quizzes are in the first 30 minutes of the classes that they have been scheduled for.

I am not on your email list. How do I get on?

You should be getting them, if you are registered. If you are not, one possible reason may be that you are not a Stern student. When you register for a Stern class, you do get a Stern email address and your emails may be going to that address. Try to find out the address and get your emails redirected to you.