

# **Investment Banking (IB)**

**Full Marks: 100**

## **Module A: Investment Banking**

- Investment Banking – Functions and Activities; Investment banking versus conventional banking; Investment Return and Risk, Asset Allocation; Structuring a deal; Business valuation techniques; Types of valuation multiples; Hurdle rate; Payback period; Cost of capital; Cost of debt; Enterprise value; Equity value; Cash flow modelling; Discounted cash flow analysis; Modelling best practices; drivers and assumptions; Modelling and projecting financial statements; Stress testing; Sensitivity analysis

## **Module B: Primary and Secondary Market Operations**

- Management of Capital Issues; IPO: listing and fund raising; Underwriting; Issue of Prospectus; Private Placement; Mutual Fund (open ended and closed ended); Reference Curve; Bond pricing; Primary Dealer; Auction Calendar; Demate; Settlement of trades; Security Valuation – Overview of the Valuation Process; Theory of Valuation; Bond Fundamentals and Valuation of Bonds-Computing Bond Yields; Valuation of Equities; Primary Securities Market and Secondary Security Markets

## **Module C: Portfolio Management and Analysis**

- Introduction to Portfolio Management, Some Background Assumptions, Asset Pricing Models, Efficient Capital Markets; Financial Statement Analysis; Financial Ratios, Economic Analysis; Relating Economic Analysis to Efficient Market; Forecasting Tools; The Nature of Effective Economic Forecast; Industry Analysis; Company Analysis

## **Module D: Corporate Finance**

- Debt and Equity Instruments;; Understanding capital structure; Net present value; Internal rate of return; Project finance; Structured Export Finance; Asset-backed Securitization (ABS), Mortgage-backed securities (MBS);

Advisory; Mergers and Acquisitions; Leveraged Buyouts; Corporate actions and restructuring

## **Module E: Investment Banking Structure in Bangladesh**

- Structure, Legal Framework, Performance, Role of SEC (Prevention of Insider Lending and Investor Protection), ICB (Institutional Investor), DSE and CEC Corporate Merger, Restructuring, Acquisition, Corporate Advisory, Legal, ethical and governance issues in investment banking, Growth of investment banking in Bangladesh, Tier II bonds, ZCB, Sukuk, Sustainable bonds

## **References:**

1. Different Publications of SEC, DSE and CSE.
2. Francis, J.C.-Investment (McGraw Hill, Singapore).
3. Hirt, G. A. and Stanley B. Block-Fundamentals of Investment Management (IRWIN, U.S.A.)
4. Public Issue Rules, 1998.
5. Reily, Frank, K. and Edger A. Norton-Investments (The Dryden Press, U.S.A.)
6. Securities & Exchange Ordinance, 1969.
7. Sharpe, W.F.-Investments (Prentice-Hall Inc., U.S.A.)
8. Avw\_©K cÖwZôvb AvBb, 1993
9. wmwKDwiwUR I G·#PÄ Kwgkb (wgDPzqvj dvÛ) (1993 mv#bi 15 bs AvBb)
10. wmwKDwiwUR I G·#PÄ Kwgkb AvBb, 1993 (1993 m#bi 15 bs AvBb)