To: All Foundations of Finance Students, Registered to B01.2311.10/11/12 sections  
Subject: B01.2311: First Class Announcement

Hello All:

You are receiving this e-mail because my records show that you are registered to the Foundation of Finance course (B01.2311) that I will be teaching in the Fall 2003 Semester. Welcome to the course!

I hope you had a great Summer, and are looking forward to the new Semester at Stern.

To help you plan ahead, I am attaching to this e-mail the syllabus for the course as well as a short list of selected Stern School Administrative Policies that students often ask questions about. I will place these attachments, as well as the contents of this e-mail, on my webpage (under courses) so that those who did not receive this e-mail, or misplaced it, could always look it up there.

It is very important that you read the Syllabus very carefully, as it contains all the crucial course-related details. Please let me know if you have any questions or comments regarding the syllabus, the administrative policies, or any other course related issue. The 3 teaching assistants for the course will be also glad to help you, regardless of the section to which you are registered.

To prepare for the First Class Meeting:
You should obtain items 1, 2, and 3 of the Required Materials (you can purchase these as one package in the Professional Bookstore, 530 La Guardia Place; I also placed these items on Reserve in the Bobst library). Please make sure you read Chapter 1 from BKM, and take a look at Chapter 2. In addition, please read chapters 4 and 5 from RWJ (BKM and RWJ are items 1 and 3 in the Required Materials). It would also make things easier for you, if before classes start you will take a look at BKM Appendix A: Quantitative Review. You do not need to bring the books to class.

The Optional Materials listed in the Syllabus are just two examples, out of many books on the topic. Item 1 is an easily readable guide, with lots of nice pictures and illustrations to help those who want a very basic explanation of some financial terms (which are covered in our textbook, but some find it still useful to see another source). Item 2 is a more advanced book that sometimes goes beyond what is in our textbook (for those who want to explore some topics in extra depth). Neither is required for purchase, nor will be used in class or homework.

The Market Tracking Assignment is a bonus assignment described in detail in the syllabus. Although in the context of that assignment you are responsible for the data starting at the week of the first class meeting, it is a good idea to locate a source for the data now, just to see that you can access the data later on (you may not know yet what the data means, but you will after looking at Chapter 1 and 2 in BKM). You will track the data on your own, and you are not required to submit the data you collect. I will occasionally refer to the data in class, and there will be two bonus questions on the Midterm and Final exams based on the Market Tracking data.
The Foundations of Finance course will provide you with a very challenging but rewarding experience if you attend classes regularly, keep up with the required readings, and solve required as well as suggested problems. You get credit for the problem sets even though you will have the solutions before submitting the problems. I cannot stress enough how important it is to devote quality time to solving problems outside class (and hence you have the solutions, so that you will not waste time if you get stuck with a particular problem; if you plan your calendar now, make sure you allow for enough time to devote to the course). Unlike other courses you may have taken, Foundations of Finance literally builds the foundations with each class meeting relying on the meetings that preceded it, assuming you have no Finance background. However, this building process is quite demanding, and the course can be of course somewhat frustrating if you fall behind, or plan to “study” only for the exams. To avoid the latter, and to enjoy the course (especially if you are not planning to take many more finance courses) it is time to start your preparation now.

I am looking forward to seeing you in class!

Best Regards,

Alex Shapiro

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