



Master of Business Administration

Finance Course Descriptions

MBA 540 Islamic Finance

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course introduces and explains the basic pillars of Shari'ah Law as applied to finance, explores its various interpretations, and highlights the best practice. The course discusses the functions of the Islamic financial System including their products and services such as Murabaha, Mudarabah, Musharakah, Bai Salam, Istisna, Ijarah, Sukuk and other instruments. The course will be taught by two professor (Shari'ah Law and Finance). While Shari'ah Law professor explains the principles of each instrument. The Finance professor develops pricing formulas for those derivatives.

MBA 544 Financial Statement Analysis and Valuation

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

The objective of this course is to provide students with a comprehensive understanding of financial statement analysis fundamentals and valuation. In this course student will learn how to use financial statement analysis to evaluate a firm's past performance, make judgment about its earnings quality, determine its current financial position, examine the underlying accounting assumptions of its major assets and liabilities, forecast its future prospect and estimate its fundamental value. The core emphasis of this course is on using financial statement analysis for equity valuation purposes. The course has a very practical emphasis. Students will apply methods of fundamental analysis and equity valuation in a serious of assignments and projects using financial data of publicly traded Saudi companies.

MBA 549 Corporate Finance

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course looks at theoretical issues in corporate finance and their practical application. Topics include capital structure and the preferences for debt or equity as suggested by agency models, including leases, pecking order theory and timing models; dividend policy; two fund





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separation theorem, convertible securities, and executive compensation; initial public offerings and the under-pricing puzzle; mergers and acquisition, and capital budgeting under risk.

MBA 551 Derivative Securities

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course is designed to expand students' understanding of derivative-related financial instruments (forwards, futures and options) and their use in investment and corporate financial management. The course focuses on the usage of these instruments for speculation and tactical asset allocation strategies. Hedging strategies are also covered. Valuation models are explored and used for the purpose of arbitrage. The course develops the basic mathematical tools necessary for analysis and pricing. The course covers forwards, futures, options, and swap contracts, hedging, arbitrage, and derivatives-pricing models like binomial tree and Black-scholes models.

MBA 553 Bank Management

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course is designed to provide techniques for the financial management of commercial banks. Topics include industry structure, basic asset, liability, liquidity and interest-rate risk management, primary lending functions, pricing techniques, risk management, bank organization and familiarization with international banking, Rules and Regulations, Basel II and III accord and capital management, financial gap and duration analysis. The purpose and functions of central banking are studied with attention to monetary targets and policies.





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MBA 568 Financial Econometrics

Cr Hrs: 3 Prerequisite: MBA 511, 516 Grad Scheme: Letter

This course provides introduction to basic principles and tools of econometrics which helps to understand finance theories and their empirical applications. It helps with appropriate statistical software such as SPSS and Eviews for conducting applied financial research. After covering essential theoretical concepts and statistical tools, the emphasis will be on developing and applying regression-based techniques in dealing with financial issues. The first part of the course will cover the fundamentals of probability, statistics, and regression analysis. The second part will cover a set of tools and models which are useful for modeling financial data and testing how markets work and prices are formed. It will introduce ARCH and GARCH models as well as some more recent modeling innovations that allow for the covariance between assets to change through time.

MBA 561 Investments and Portfolio Theory

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course provides a comprehensive coverage of Portfolio theory. It aims to provide students with basic knowledge about how financial assets can be combined to give an optimal level of return, given the risk. The course gives a basic insight into portfolio management, which is relevant for banks, insurance companies and pension funds, for example. The course covers both theoretical pricing models for financial assets (CAPM, APT) and methods for evaluating the results of portfolio management. It also covers topics related to market efficiency, performance evaluation of portfolio managers, mutual funds and other investment companies.





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MBA 570 Risk Management

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course is designed to be an introduction to the concepts, theories and practical applications associated with the measurement and management of financial risk, interest rate and exchange rate risks. The unit introduces students to forward markets, futures markets, and option markets as a means of reducing financial risk. This course also offers an overview of the global financial crisis since 2007. The causes, the consequences, and the rescue measures are introduced and discussed and related to the measurement and management of financial risk.

MBA 574 Global Economics

Cr Hrs: 3 Prerequisite: MBA 513 Grad Scheme: Letter

At the end of this course, students will be able to demonstrate their comprehension of macroeconomic theories, models, tools of analysis and applications to help assess the impact of the dynamic global business environment on their business decisions. Students will also be able to analyse the global effects of monetary and fiscal policies using real-life macroeconomic data. Analytical tools will be applied to analyse global economic data for informed business decisions.

MBA 580 Insurance

Cr Hrs: 3 Prerequisite: MBA 516 Grad Scheme: Letter

This course will present risk exposures with regard to individuals and firms. A wide variety of techniques for reducing risk will be studied including life, property and casualty insurance. Other topics includes liability insurance, health insurance, employee benefits, social insurance, legal principles, and functional and financial operations of insurers. In addition, the course will examine the problems faced by insurers, such as re-insurance and investment policy. The course will place primary emphasis on issues of interest to the student, with a focus on consumer considerations, coverage of personal risk management and financial planning topics.

