# FB8052I: RESEARCH IN FINANCE

**Effective Term**
Semester A 2025/26

## Part I Course Overview

**Course Title**
Research in Finance

**Subject Code**
FB - College of Business (FB)

**Course Number**
8052I

**Academic Unit**
College of Business (CB)

**College/School**
College of Business (CB)

**Course Duration**
One Semester

**Credit Units**
3

**Level**
D8 - Professional Doctorate

**Medium of Instruction**
Chinese (Putonghua)

**Medium of Assessment**
Chinese

**Prerequisites**
Nil

**Precursors**
Nil

**Equivalent Courses**
Nil

**Exclusive Courses**
Nil

## Part II Course Details

**Abstract**
This course aims to introduce students to contemporary research issues in finance. Three professors will cover several finance research areas. Through the sharing of research work and experience of the teaching staff members, students will

learn how to select a research topic, design research framework, and conduct data collection and analysis. Upon completion of the course, students should better understand research in finance and be prepared for their own research in future.

**Course Intended Learning Outcomes (CILOs)**

| | CILOs | Weighting (if app.) | DEC-A1 | DEC-A2 | DEC-A3 |
|---|---|---|---|---|---|
| 1 | Understand contemporary issues and research topics in Finance. | | x | x | x |
| 2 | Identify potential research questions and related research methods. | | x | x | x |
| 3 | Explain how to design dissertation, collect required data, and do empirical analysis. | | x | x | x |

A1: Attitude
Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability
Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments
Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

**Learning and Teaching Activities (LTAs)**

| | LTAs | Brief Description | CILO No. | Hours/week (if applicable) |
|---|---|---|---|---|
| 1 | LTA 1 | Seminars, in-class discussions, assignments | 1, 2, 3 | |

**Assessment Tasks / Activities (ATs)**

| | ATs | CILO No. | Weighting (%) | Remarks ("-" for nil entry) | Allow Use of GenAI? |
|---|---|---|---|---|---|
| 1 | Class attendance and participation | 1, 2, 3 | 40 | The use of generative AI tools is recommended. However, copyright compliance must be carefully considered to avoid legal risks. | Yes |
| 2 | Term paper | 1, 2, 3 | 60 | The use of generative AI tools is recommended. However, copyright compliance must be carefully considered to avoid legal risks. | Yes |

**Continuous Assessment (%)**

100

**Assessment Rubrics (AR)**

**Assessment Task**

Class attendance and participation

**Criterion**

Class attendance and participation (40%): Through in-class participation and discussion, students will gain a better understanding of Finance and relevant research issues and problems.

**Excellent**

Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.

**Good**

Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.

**Fair**

Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.

**Marginal**

Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.

**Failure**

Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited, or irrelevant use of literature.

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**Assessment Task**

Term paper

**Criterion**

Individual research proposal (60%): Students are required to choose a research topic or problem which they are interested in addressing and can contribute to their jobs or industries and submit a research proposal including the research topic/problem, rationale, concept map/research framework, implementation (e.g. research method and how to collect data) and expected contributions.

**Excellent**

Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base.

**Good**

Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature.

**Fair**

Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material.

**Marginal**

Sufficient familiarity with the subject matter to enable the student to progress without repeating the course.

**Failure**

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# Part III Other Information

**Keyword Syllabus**

- Asset Pricing
- Corporate Finance
- Corporate Governance
- Liquidity and Liquidity Risk
- Information Asymmetry and Information Risk
- Market Microstructure
- Capital Asset Pricing Model
- Firm Valuation
- Cost of Equity and Cost of Capital
- Incomplete Contracts: Agency Models
- IPOs/SEOs/Right Offerings
- Capital Structure
- Agency Theory and Bondholder-shareholder conflict
- Debt Covenant, creditor control rights and debt renegotiation
- Banking-firm relationship and delegated monitoring
- Debt structure
- Management-shareholder conflict & corporate governance
- Executive compensation & G-index
- Boards of directors
- Ownership structure and voting rights
- Vote by feet & investor activism
- Interaction between agency cost of debt and agency cost of equity.

**Reading List**

**Compulsory Readings**

| | Title |
|---|---|
| 1 | An up-to-date reading list containing book chapters and recent journal articles on each specific topic will be distributed in class. |

**Additional Readings**

| | Title |
|---|---|
| 1 | An up-to-date reading list containing book chapters and recent journal articles on each specific topic will be distributed in class. |