

**ECON S-1911. Capital Acquisition and the Investment Banking Process (CRN: 31601)**

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This course highlights the capital acquisition process and the role investment banks play. Corporations raise capital by issuing different instruments. Each of the instruments sends different signals to market participants. This course evaluates these signals empirically by measuring the long run price performance of issuing firms. The topics covered include the initial public offering (IPO) process and the role investment banks play, IPO valuation, and IPO underpricing. Additional topics include seasoned equity offerings, private placements, motivation and incentives to issue such securities, cost of issuance and the factors that influence the choice between public versus private placement. A substantial portion of the course deals with the recent innovations in the equity market and the conduct of financial institutions in the equity market.