THE PRIMARY OBJECTIVE OF THE COURSE IS TO PROVIDE THE STUDENTS WITH THE NECESSARY SKILLS IN PREPARATION AND EVALUATION OF INVESTMENT PROJECTS. THE COURSE IS DESIGNED TO TEACH THE STUDENTS HOW TO PREPARE AND EVALUATE INVESTMENT PROJECTS.

The course provides the student with primary and supplemental materials for the study of project analysis. The topics that will be covered in the course are as follows: major steps used to prepare an investment project, and various techniques utilized to evaluate investment projects from the point of view of national economy and business firms.

The class will be conducted in lecture format. Students will be encouraged to participate in class discussion by raising questions and making comments.

The course requires a sufficient knowledge of financial management, economy and basic algebra, especially the calculations of compound interest, present values and annuity problems. The students should read the assigned topics in the course outline before the lecture in which it will be discussed.

40% of the midterm exam and 60% of the final exam constitute the raw grade of the course. Raw grade is then converted into letter grade through the curve system. The outcomes are e-mailed to the students.

The primary text is:
Sönmez, İ. Hakkı, Analysis of Investment Projects Lecture Notes.

Supplementary Readings:
- Sarısalan, Halil; Yatırım Projelerinin Hazırlanması ve Değerlendirilmesi, Turhan Yayıncılık, 1997.
- Present and Future Value Tables.

Students must attend classes, participate in class discussion and complete assignments on time.

I. Basic Concepts

1. Week: Introduction of subjects, explanation of different types of investment and project concepts.
2. Week: The importance of investment projects from the viewpoint of national economy and business firms.
3. Week: Factors that affect the investment decision of a firm.

II. The Process of Preparing Investment Project

4. Week: Important steps in preparing the investment project.
5. Week: Determination of capacity and preparation of technical, financial and economical reports for the project.
6. Week: Determination of the amount of permanent capital for the investment project.
7. Week: Calculation of working capital.
8. Week: Mid-term Exam

III. Evaluation of Investment Projects

10. Week: Static approaches used in project evaluation.
11. Week: Dynamic approaches used in project evaluation.
13. Week: Methods used in project evaluation
14. Week: Final Exam