

X33 FINANCIAL ECONOMICS

1. GENERAL

SCHOOL	ECONOMICS SCIENCES		
DEPARTMENT	ECONOMICS AND SUSTAINABLE DEVELOPMENT		
LEVEL OF STUDY	<i>Undergraduate</i>		
COURSE UNIT CODE	X33	SEMESTER OF STUDY	3
COURSE TITLE	Financial Economics		
COURSEWORK BREAKDOWN		TEACHING WEEKLY HOURS	ECTS Credits
		Lectures	4
			7,5
COURSE UNIT TYPE			
PREREQUISITES :			
LANGUAGE OF INSTRUCTION/EXAMS:	English		
COURSE DELIVERED TO ERASMUS STUDENTS			
MODULE WEB PAGE (URL)			

2. LEARNING OUTCOMES

Learning Outcomes

The purpose of the course is to analyze principles, theories, models, and practices within the context of financial investment decision making. The course initially presents the concept of the time value of money. Then it presents a set of practical methods to assess potential projects or investments on stocks and bonds.

Upon successful completion of the course the student will:

- Be aware of the importance of the time value of money and how to calculate it.
- Learn to use the various investment valuation methods by recognizing their advantages and disadvantages
- Learn to value stocks and bonds
- Critically evaluate, assess, and compare the performance of various investments in securities, or portfolios.

General Skills

- Independent and autonomous Work
- Decision Making
- Teamworking
- Working in an international environment
- Work in an interdisciplinary environment

- Promoting free, creative and inductive thinking

3. COURSE CONTENTS

Will the lesson include the following sections:

1st Time Value of Money:

Simple interest, compound interest, future and present value of money, interest rate adjustments, annuities etc.

2nd Capital Budgeting

Payback Period, Capital Return Method, Profitability Ratio, Present Value Method, Internal Rate of Return, Modified Internal Rate of Return.

3rd Stocks and Modern Portfolio Theory

Valuation of Common Stocks, Risk and return, Portfolio Theory, the Capital Asset Pricing Model (CAPM), Arbitrage Pricing Model

4th Fixed income instruments

Bonds, Valuation of Bonds, Managing Bond Portfolios

4. TEACHING METHODS - ASSESSMENT

MODE OF DELIVERY	Class contact	
USE OF INFORMATION AND COMMUNICATION TECHNOLOGY	<ul style="list-style-type: none"> • Dynamic PowerPoint presentations • e-class support • Communication via e-mail and course discussion group 	
TEACHING METHODS	Method description	Semester Workload
	Lectures	26
	Seminars	26
	Assignment	13
	Self-study	122,5
	Course total (25 hours of work load per credit)	187,5
ASSESSMENT METHODS	I. Group Assignment II. Final exams	

5. RESOURCES

-- Recommended Book Resources:

1. Zvi Bodie, Alex Kane, Alan Marcus, (2020), Investments, McGraw-Hill Education Ltd, ISBN: 1260571157
2. Brealey R.A., Myers S.C., Allen F., (2019), ISE Principles of Corporate Finance, McGraw-Hill Education Ltd, ISBN: 1260565556

- Recommended Journals:

- Journal of Finance
- Journal of Financial Economics
- European journal of Finance
- Annual Review of Financial Economics
- Quantitative Finance
- Journal of Empirical Finance
- Applied Financial Economics
- Finance Research Letters

