

## BASIC DETAILS:

<b>Subject:</b>	DIRECCIÓN FINANCIERA II		
<b>Id.:</b>	32274		
<b>Programme:</b>	GRADUADO EN ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS (CA)		
<b>Module:</b>	FINANZAS		
<b>Subject type:</b>	OBLIGATORIA		
<b>Year:</b>	3	<b>Teaching period:</b>	Segundo Cuatrimestre
<b>Credits:</b>	6	<b>Total hours:</b>	150
<b>Classroom activities:</b>	66	<b>Individual study:</b>	84
<b>Main teaching language:</b>	Inglés	<b>Secondary teaching language:</b>	Castellano
<b>Lecturer:</b>	GOTH , PETER JOHN (T)	<b>Email:</b>	pgoth@usj.es

## PRESENTATION:

The aim of this course is for students to further develop their concepts of financial management of investments.

To carry out the development of the stages of risk analysis, the course provides the knowledge, the skills and ability to analyze the opportunities that the elements of the valuation and analysis of the financial management in a context of interest-rate risk offer. According to the study plan, this course introduces the students to scenarios where they develop skills necessary for risk analysis, portfolio management and valuation of financial assets.

## PROFESSIONAL COMPETENCES ACQUIRED IN THE SUBJECT:

<b>General programme competences</b>	G01	Ability to analyse and summarise information from several sources.
	G02	Creative and efficient resolution of problems that arise in day-to-day, in order to ensure the highest levels of quality of professional work.
	G03	Ability to organise and plan the work in the context of continuous improvement.
	G04	Use of information and communication technologies.
	G05	Ability to work effectively in interdisciplinary teams, integrating and participating in scientific and professional teamwork, contributing ideas and respecting and valuing the diversity of views of other team members.
	G06	Ability to incorporate ethical principles into the professional culture, giving priority to ethical commitment to customers and society.
	G08	Oral and written communication in Spanish.
	G10	Ability to apply the acquired knowledge, adapting it to the needs and special features of each situation and person.
	G11	Ability to come up with new ideas (creativity).
	G13	Ability to develop learning strategies throughout life to be able to acquire new knowledge, by developing their own academic and professional path.
	G15	Ability to establish and meet the most appropriate quality criteria and apply methodologies and work strategies geared towards continuous improvement.
	G16	Ability to assimilate concepts of a social and humanistic nature into a comprehensive university education to enable the development of ethical values such as solidarity, multiculturalism, equality, commitment, respect, diversity, integrity, etc.
	<b>Specific programme competences</b>	E01
E04		Ability to identify related variables and understand their impact on business organisations.
E09		Appreciate how the domestic and international financial markets operate.
E10		Understand financial operations taking place in business environments, designing and analysing investment and financing strategies.
E11		Learn the techniques and methods of quantitative nature applicable to the diagnosis, analysis and business exploration (mathematics, statistics and econometrics) being able to use the most appropriate tool in each situation.
E14		Understand the principles of business ethics and be able to design scenarios in which these principles can be put into business practice.
<b>Learning outcomes</b>	R01	Understand the key elements in managing portfolios
	R02	Learn the basics of ETTI to manage interest rate risk

R03 Manage the various risks assumed in the investment

**PRE-REQUISITES:**

Strong knowledge of financial mathematics, statistics, and Finance I

**SUBJECT PROGRAMME:**

**Subject contents:**

<b>1 - The Financial Manager and Markets</b>
1.1 - Financial System and Types of Financial Markets
1.2 - Market efficiency
1.3 - Stock market
1.4 - Financial institutions
1.5 - Fundamental analysis and technical analysis
<b>2 - Risk analysis and portfolio management</b>
2.1 - Basic principles and types of risk
2.2 - Measures of risk and return
2.2.1 - Risk and return
2.2.2 - Quantitative measures of return
2.2.3 - Risk and diversification
2.2.4 - The Capital Asset Pricing Model
2.3 - The term structure of interest rates
<b>3 - Valuation of financial assets</b>
3.1 - Valuation of Money Market investments
3.2 - Valuation of Stocks
3.3 - Valuation of Options
3.4 - Forwards and Futures
<b>4 - Practical approaches to security selection</b>
<b>5 - Behavioural finance</b>

Subject planning could be modified due unforeseen circumstances (group performance, availability of resources, changes to academic calendar etc.) and should not, therefore, be considered to be definitive.

**TEACHING AND LEARNING METHODOLOGIES AND ACTIVITIES:**

**Teaching and learning methodologies and activities applied:**

Attendance is compulsory. Many class activities are conducted in pairs and groups in the format of problem solving with (or without) software, simulations, presentations, debates, ..etc. Students should check the PDU every week. During theoretical classes, where the professor explains concepts orally with technological support, students must also participate with questions. After theoretical classes, there are follow-up exercises and tasks to apply the concepts explained so that the students practice the new concepts learned. During these sessions, students can ask questions, clarify concepts and ask for additional bibliography.

Course materials are course slides (PDU), notes prepared by the professor (PDU), class notes taken by the students, and books (basic and recommended bibliography).

The assessment criteria consists on 'written exams', and 'individual coursework' .

**'Final exam' (45%)**

**'Individual coursework (Financial Project)' (55%)**

Students will be introduced to the real world of business by working on identifying issues, developing solutions and applying their solutions to real-life situations of working businesses. these activities will

have the ultimate purpose of developing students' social and technical skills, their performance and providing them with a competitive advantage when faced with the labour market.

Tutorial hours will be scheduled every week.

### Student work load:

Teaching mode	Teaching methods	Estimated hours
<b>Classroom activities</b>	Master classes	30
	Practical exercises	12
	Practical work, exercises, problem-solving etc.	12
	Coursework presentations	4
	Assessment activities	8
<b>Individual study</b>	Tutorials	2
	Individual study	40
	Individual coursework preparation	30
	Research work	4
	Compulsory reading	4
	Extra-curricular activities (visits, conferences, etc.)	4
<b>Total hours:</b>		<b>150</b>

### ASSESSMENT SCHEME:

#### Calculation of final mark:

Individual coursework:	55 %
Final exam:	45 %
<b>TOTAL</b>	<b>100 %</b>

\*Las observaciones específicas sobre el sistema de evaluación serán comunicadas por escrito a los alumnos al inicio de la materia.

### BIBLIOGRAPHY AND DOCUMENTATION:

#### Basic bibliography:

BREALEY, Richard, MYERS, Stewart and MARCUS, Alan. Fundamentals of Corporate Finance, 7th International Edition. McGraw-Hill, 2011.
SNOPEK, Lukasz. Complete Guide to Portfolio Construction and Management. Wiley, 2012.
VERNIMMEN, Pierre. Corporate Finance. Theory and Practice, 4th Edition. Wiley, 2014.
BOLVIKEN, Erik. Computationand modelling in Insurance and Finance. Institute and Faculty of Actuaries. Cambridge, 2014.

#### Recommended bibliography:

CHASE, Charles. Demand-Driven Forecasting: A Structured Approach to Forecasting, 2nd Edition. Wiley, 2013.
GALLAGHER T.J. Financial Management, Principles and Practice. 3rd Edition. Prentice-Hall, 2002.
MISHKIN Frederic S. The Economics of Money, Banking and Financial Markets. 9th Edition. Pearson, 2009.
SINKEY JR., Joseph.F. Commercial Bank Financial Management in the Financial Services Industry, 6th Edition. Prentice-Hall, 2002

#### Recommended websites:

Asociación Española de Contabilidad y Administración de Empresas	<a href="http://www.aeca.es">www.aeca.es</a>
Banco Central Europeo	<a href="http://www.ecb.europa.eu/ecb/html/index.es.html">www.ecb.europa.eu/ecb/html/index.es.html</a>
Comisión Nacional del Mercado de	<a href="http://www.cnmv.es">www.cnmv.es</a>

Valores	
Eurostat (Statistical office of the European Union)	<a href="http://epp.eurostat.ec.europa.eu">epp.eurostat.ec.europa.eu</a>
Financial Times	<a href="http://www.ft.com">www.ft.com</a>
Instituto de Contabilidad y Auditoría de Cuentas	<a href="http://www.icac.meh.es/">www.icac.meh.es/</a>
International Monetary Fund	<a href="http://www.imf.org/external/index.htm">www.imf.org/external/index.htm</a>
Ministerio de Industria, Energía y Turismo	<a href="http://www.minetur.gob.es/">www.minetur.gob.es/</a>
The World Bank	<a href="http://data.worldbank.org">data.worldbank.org</a>
World Trade Organization	<a href="http://www.wto.org/index.htm">www.wto.org/index.htm</a>