



COURSE SYLLABUS

Finansiering och investeringsanalys

Finance and Investment Analysis

7.5 credits (7,5 högskolepoäng)

Course code: IY2618

Main field of study: Industrial Economics and Management

Disciplinary domain: Technology

Education level: Second cycle

Specialization: AIF - Second cycle, has second cycle course/s as entry requirements

Subject area: Industrial Engineering and Management

Language of instruction: English

Applies from: 2019-11-01

Approved: 2019-10-25

1. Decision

This course is established by Dean 2019-10-17. The course syllabus is approved by Head of Department of Industrial Economics 2019-10-25 and applies from 2019-11-01.

2. Entry requirements

Admission to the course requires taken courses Economic Analysis of Markets, Firms and Industries, 7.5 credits and Statistics and Econometrics, 7.5 credits.

3. Objective and content

3.1 Objective

The purpose of the course is to enable students to develop knowledge of theories and models to value real and financial investments using different approaches, as well as to understand how it affects the value of the firm. In addition, the course provides students with an understanding of the role a company's capital structure plays from a financial perspective as well as how financial instruments can be used in risk management depending on the type of company and the market in which it operates.

3.2 Content

The emphasis of this course is on financial concepts and theories as well as the methods of analysis that are used in the valuation of projects, companies and assets. The course covers the following: equity, loans and hybrid instruments, dividend policy, capital structure theory, financial leverage, short- and long-term borrowing, stock valuation, bond valuation, issuing bonds, credit ratings, WACC, FTE, and APV; cash management, portfolio choice theory and financial and real options.

4. Learning outcomes

The following learning outcomes are examined in the course:

4.1 Knowledge and understanding

On completion of the course, the student will be able to:

- understand and describe concepts, models, theories and research methods in corporate finance
- understand the principles and purpose of corporate finance and their role in decision making
- understand the most important problems in mergers and acquisitions
- understand how strategic alliances can help firms to obtain capital and manage risk
- understand and explain the financing process for new firms and established firms
- understand different aspects of cash management
- possess good knowledge of stock prices and portfolio performance
- possess good understanding of optimal portfolio theory and asset diversification
- understand risk management through the use of financial derivatives and real options

4.2 Competence and skills

On completion of the course, the student will be able to:

- analyse and solve problems and questions related to corporate finance

- make decisions regarding reinvesting profits or paying out dividends
- choose between short-term and long-term loans in corporate finance
- make capital structure decisions regarding the use of external capital or other hybrid solutions
- make corporate finance decisions regarding borrowing from the domestic versus foreign capital market
- analyse a company's cash flow
- analyse financial reports
- use portfolio choice theory and financial derivatives as well as real options for risk management

4.3 Judgement and approach

On completion of the course, the student will be able to:

- evaluate and critically analyse stock prices, convertibles and debt in addition to portfolio performance
- value projects and operations with different financial structures
- manage financial risk

5. Learning activities

Teaching includes lectures, seminars, group work and self-study (for example, reading literature, preparations, exercises). The course will be examined continuously.

6. Assessment and grading

Modes of examinations of the course

Code	Module	Credits	Grade
I910	Written assignment 1	2 credits	GU
I920	Written assignment 2	2 credits	GU
I930	Written examination	3.5 credits	AF

The course will be graded A Excellent, B Very good, C Good, D Satisfactory, E Sufficient, FX Fail, supplementation required, F Fail.

The course-PM for each course revision should include the assessment criteria and make explicit in which modes of examination that the learning outcomes are assessed.

An examiner can, after consulting the Disability Advisor at BTH, decide on a customized examination form for a student with a long-term disability to be provided with an examination equivalent to one given to a student who is not disabled.

7. Course evaluation

The course evaluation should be carried out in line with BTH:s course evaluation template and process.

8. Restrictions regarding degree

The course can form part of a degree but not together with another course the content of which completely or partly corresponds with the contents of this course.

9. Course literature and other materials of instruction

Copeland, T. E., Weston, J. F. och Shastri, K. (latest edition). Financial Theory and Corporate Policy. Pearson.
Scientific articles and other teaching material will be assigned (maximum 500 pages)