

Academic Year: ( 2020 / 2021 )

Review date: 10-07-2020

Department assigned to the subject:

Coordinating teacher: TOLDRA SIMATS, ANNA

Type: Compulsory ECTS Credits : 2.0

Year : 1 Semester : 1

**REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)**

This is an introductory course. As such, there is no prerequisite to take this course.

**OBJECTIVES**

After this course students should be able to:

Objective 1: Understand the idea of the time value of money.

Objective 2: Learn techniques to discount cash flows.

Objective 3: Develop the knowledge required to use Financial Mathematics for the decision-making process inside the firm.

**DESCRIPTION OF CONTENTS: PROGRAMME**

1. Present value.
2. Annual equivalent rate.
3. Credit market instruments.
4. Secondary markets and rates of return.
5. Yield to maturity.
6. Loans: French method.
7. Increasing coupons.

**LEARNING ACTIVITIES AND METHODOLOGY****LEARNING ACTIVITIES**

Theory recitations (12 hours).

Practical classes (8 hours).

Individual work performed by the student (20 hours).

**TEACHING METHODOLOGY**

-Theory classes.

-Practical classes.

-Homework.

**ASSESSMENT SYSTEM**

Final Exam: 60%.

Homework: 30%.

Class participation: 10%.

**% end-of-term-examination:** 60

**% of continuous assessment (assignments, laboratory, practicals...):** 40

**BASIC BIBLIOGRAPHY**

- J. Berk and P. DeMarzo Corporate Finance, Pearson, 3rd Ed
- M. Grinblatt and S. Titman Financial Markets and Corporate Strategy, McGraw-Hill, 2nd Ed
- R.A. Brealey , S.C. Myers and F. Allen Principles of Corporate Finance, McGraw-Hill, 11th edition

