

CORPORATE FINANCE I - WEEKLY SCHEDULE

Part I

Session

Topic

Financial contracting under moral hazard

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| 1 | Outside financing capacity with limited liability and risk neutrality |
| 2 | Determinants of borrowing capacity |
| 3 & 4 | Exercises: optimal contracts, relaxing LL and RN, reputational capital |

Financial contracting under asymmetric information

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| 5 | The lemons problem and the market breakdown |
| 6 | Dissipative signals |
| 7 | Exercises: signalling |

Part II

Session

Topic

Liquidity and risk management

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| 1 | Maturity of liabilities |
| 2 | Liquidity-scale trade-off and hedging risk |

Product markets

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| 3 | Impact of competition on financial choices |
| 4 | Profit destruction and commitment through financial structure |

Credit rationing and economic activity

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| 5 | Moral hazard |
| 6 | Adverse selection |
| 7 | Loanable funds and the credit crunch |