

Syllabus

Course description

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| Course title | BANKING AND CORPORATE FINANCE |
| Course code | 27036 |
| Scientific sector | SECS-P/11 |
| Degree | L-18 BSc in Economics and Management |
| Semester and academic year | 2nd Semester 2018-2019 |
| Year | 3 |
| Credits | 7 |
| Modular | No |

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| Total lecturing hours | 42 |
| Total lab hours | - |
| Total exercise hours | - |
| Attendance | Highly recommended, although not compulsory as per national regulation |
| Prerequisites | Financial Analysis, Year 2, is mandatory |
| Course page | https://www.unibz.it/it/faculties/economics-management/bachelor-economics-management/ |

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| Specific educational objectives | <p>Banking and Corporate Finance is a third-year course for students attending B.Sc. in Economics and Management. The course is designed to offer an introduction to the structure and operation of financial markets and institutions, how firms choose their capital structure to make real investments, and how financial markets and intermediaries evaluate and finance business activities. We'll also study the role of bank governance and managers to improve performance and manage risks. Although we'll briefly examine the role, functions and characteristics of different financial systems and intermediaries, the course focus will be on the lending activities of commercial banks to nonfinancial firms.</p> <p>Students are required to complete an individual coursework, where they can concentrate into a listed bank and develop a detailed analysis of a specific problem. Every academic year we'll select a topic of interest to the banking sector.</p> |
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| Lecturer | Maurizio Murgia Office SER E501 Tel. 0417/013110 |
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| | maurizio.murgia@unibz.it https://www.unibz.it/it/faculties/economics-management/academic-staff/ |
| Lecturer's Scientific sector | 13/B4 - SECS-P/09 – Corporate Finance |
| Teaching language | English |
| Office hours | 21 Please refer to the lecturer's web page |
| Lecturing assistant | - |
| Teaching assistant | - |
| Office hours | - |
| List of topics covered | The main subject areas covered in the course are: Financial systems and Financial Markets, The structure and function of financial services industry, Financial markets efficiency and the effects on real economy, Firms' cost of capital and capital structure strategies, Bank lending, Bank governance and the role of top managers in the banking industry. |
| Teaching format | Background lectures, case study analysis (individual and small groups), case study class discussion, coursework presentations. |

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| Learning outcomes | <p>LEARNING OUTCOMES:</p> <p><u>Knowledge and understanding:</u></p> <ul style="list-style-type: none"> To be successful, students need to master the course core concepts and learn to identify and solve problems that today's practitioners face. Thus, the course equips students with the fundamental background to operate into the world of financial markets and financial institutions, particularly commercial banks. Students will learn how banks operate and evaluate business investments, and how entrepreneurs select alternative sources of finance with bank and non-bank intermediaries. <p><u>Applying knowledge and understanding:</u></p> <ul style="list-style-type: none"> Ability to use modern finance theory, financial models and statistical analysis to valuation of financial market transactions, firms' securities and corporate finance transactions. Understanding bank and non-bank financial intermediaries and how they affect firms' investment and financing decisions. <p>The course combines the latest academic thinking with hands-on business practice and its main goal is that attending students should develop by the end of classroom activity an expanded ability to analyze and think about sound financial management decisions, and to defend these decisions with analytical reasoning. This course will use a combination of lectures, technical notes, outside readings, case discussions, to study Banking and Corporate finance. Class participation and active discussion is both expected and encouraged. Students are expected to have thoroughly read all the assigned material in advance of the class to ensure</p> |
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better understanding of the issues involved and to have meaningful class participation. Students should carefully read and be prepared to discuss all assigned readings and case studies. Students should expect to work intensively outside of class time and to prepare an average of one case study per week. Each case will come with guideline questions. Case studies and supplemental readings (either distributed in class or to be found in the Library course Online Reserve Collection) are detailed in the course outline. I frequently ask for volunteers as well as I make cold call.

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| Assessment | <p><u>Attending Students</u></p> <p>Student final grade will be a mixture of: final exam (50%), individual coursework (30%), class participation in case study presentation/discussion (20%).</p> <p><u>Not Attending Students</u></p> <p>Not attending student assessment will be through final exam only, which counts as 100% of final grade. Final exams last four hours and will have five questions, either a quantitative problem or essay, in each of course building block (Financial Markets, Banking, Principles of corporate finance, Bank Governance and Managerial effects).</p> |
| Assessment language | English |
| Evaluation criteria and criteria for awarding marks | Final exam is a written test at PC-Lab classroom. Students are allowed access to MS-Office software and quality of written English is essential to earn the passing grade. |

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| Required readings | <ol style="list-style-type: none"> 1. Frederic S. Mishkin, Stanley Eakins - Financial Markets and Institutions, 9th Edition 2018, Pearson https://www.vitalsource.com/referral?term=9780134448763 (Required Chapters: 1-2-6-7-8-9-10-17-18-19) 2. J. Berk-P. DeMarzo-J. Harford, Fundamentals of Corporate Finance, 4th edition 2018, Pearson. https://www.vitalsource.com/referral?term=9780134476124 (Required Chapters: 13-15-16). 3. C. Curi-M. Murgia, Bank CEOs - Characteristics, Compensation Policies, and Impacts on Bank Performance, <i>SpringerBriefs in Finance</i>, 2018. http://www.springer.com/gp/book/9783319908656 (Required Chapters: 1-2-3). |
| Supplementary readings | Teaching Slides and case studies to be distributed in class or downloaded from Course UNIBZ Reserve Collection page. |