

COURSE DESCRIPTION – ACADEMIC YEAR 2020/2021

Course title	Digital Finance and Financial Markets
Course code	76408
Scientific sector	SECS-P/09
Degree	Bachelor in Informatics and Management of Digital Business (L-31)
Semester	1+2
Year	2
Credits	12
Modular	Yes

Total lecturing hours	84
Total lab hours	--
Attendance	Highly recommended, although not compulsory as per national regulation.
Prerequisites	Accounting for Decision Making (1st year) is strongly suggested.
Course page	https://ole.unibz.it/

Specific educational objectives	<p>The course belongs to the type "attività formative affini o integrative".</p> <p>The course is designed to offer an introduction to basic concepts of financial decision-making, financial management of digital firms and how to apply them to real-life cases. Students will understand how the interests of owners, debt holders and management of a firm may conflict, and how this influences optimal financing and decision-making. We will also study how firms choose their capital structure to make real investments, and how financial markets and intermediaries evaluate and finance business activities.</p>
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Module 1	Principles of Finance for Computer Science
Module code	76408A
Module scientific sector	SECS-P/09
Lecturer	Claudia Curi
Contact	Office E5.10A, piazza Università 1, BZ; claudia.curi@unibz.it ; +39 0471 013498
Scientific sector of lecturer	SECS-P/09
Teaching language	English
Office hours	Please refer to the course webpage.
Lecturing assistant (if any)	--
Contact LA	--
Office hours LA	--
Credits	6
Lecturing hours	42
Lab hours	--
List of topics	<p>List of covered topics:</p> <ul style="list-style-type: none"> • Arbitrage principles in finance • Risk and Return • Real Investment Analysis • Raising capital

Teaching format	Classroom activity will alternate background lectures, applied exercises, examples based on practical short case studies, discussions and comments of current development and events in financial market and institutions related to topics covered in class.
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Module 2	Financial Markets
Module code	76408A
Module scientific sector	SECS-P/11
Lecturer	Paola Vezzani
Contact	TBD
Scientific sector of lecturer	SECS-P/11
Teaching language	Italian
Office hours	Please refer to the course webpage
Lecturing assistant (if any)	-
Contact LA	-
Office hours LA	-
Credits	6
Lecturing hours	42
Lab hours	--
List of topics	List of covered topics: <ul style="list-style-type: none"> • Financial system and Financial intermediation • Banks and Non-Banks • Capital Markets and Investment Banks • Asset Management
Teaching format	Classroom activity will alternate background lectures, applied exercises, examples based on practical short case studies, discussions and comments of current development and events in financial market and institutions related to topics covered in class.

Learning outcomes	<p>Knowledge and understanding:</p> <ul style="list-style-type: none"> • D1.17 - Know further methods of Digital Finance and Digital Advertising and their application. • D.1.18 - Understand the interdisciplinary approach to IT projects that takes into account technical foundations, business needs, social and dynamic aspects and the regulatory framework. • Knowledge and understanding of the notion capital structure, the relation between risk and leverage, the relation between firm's value and taxes and bankruptcy costs; • Knowledge and understanding of the fundamental aspects of financial systems, financial markets and institutions and firms' investment and financing decisions; • Knowledge of the institutional aspects of finance that help prepare students either for jobs in the digital financial services industry or for successful interactions with financial institutions. <p>Applying knowledge and understanding:</p> <ul style="list-style-type: none"> • D2.3 - Ability to analyse business problems and to develop proposals for solutions with the help of IT tools.
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- D2.4 - Ability to formalise and to analyse procedures and operational processes, to recognise and use optimisation potentials.
- D2.6 - Ability to design, describe and present IT solutions to policy makers.
- D2.9 - Ability to support the management of IT departments and software companies by providing information as needed.
- D2.11 - Ability to analyse large amounts of data on economic facts and processes.
- D2.13 - Ability to apply additional knowledge in the subjects of Digital Finance and Digital Marketing.
- D2.18 - Know how to communicate with the client in written and oral form on a professional level in English, Italian and German.
- Application and use of capital market indicators for financial decision making
- Analysis of capital markets and the pricing of risks
- Analysis of leverage costs and financing of debt for companies
- Ability to use modern finance theory, financial models and analysis to valuation of financial market transactions, firms' securities and corporate finance transactions.
- Understanding how financial markets and intermediaries work for supplying capital to business activities.

Making judgments

- D3.1 - Ability to collect and interpret data useful for forming independent judgments on IT and economic aspects of information systems.
- D3.3 - Ability to compare and evaluate different IT solutions based on their technical characteristics and key business figures.
- D3.4 - Ability to assess fundamental economic and business facts on the basis of numerical data.
- Comparing costs and benefits of alternative investment and financing solutions and be able to propose and defend them.
- Explicit choice of financial tools to address specific financial concerns

Communication skills

- D4.1 - Be able to use the three languages English, Italian and German and, in particular in English, be able to use appropriate technical terminology and communication style.
- D4.2 - Ability to use modern means of communication also for remote interactions.
- D4.3 - Ability to negotiate with people with different professional experiences the definition and requirements of corporate information systems.
- Formulation of existing challenges and their discussion within digital firms to initiate concrete and explicit actions

Learning skills

- D5.2 - Learning ability to carry out strategic and IT project activities in corporate communities, also distributed.

	<ul style="list-style-type: none"> • D5.3 - Ability to follow rapid technological developments and to learn about innovative aspects of the latest generation of information technology and systems. • To correctly apply financial tools for specific business problems • To secure long-term corporate success by correctly applying financial techniques and analyses
Assessment	<p>For attending students:</p> <ul style="list-style-type: none"> • Midterm (50%) • Final Exam (50%). <p>For not-attending students:</p> <ul style="list-style-type: none"> • Final Exam (100%).
Assessment language	English and Italian
Assessment Typology	Collegial
Evaluation criteria and criteria for awarding marks	Individual written test that consists of both financial theory questions and practical exercises. Knowledge, understanding of financial problems and ability to develop financial decisions within digital corporations are assessed. Clarity in exam execution and quality of written English and Italian are essential to earn the passing grade.
Required readings	<p>Principles of Finance for Computer Science: J. Berk-P. DeMarzo-J. Harford, Fundamentals of Corporate Finance, 4th edition 2018, Pearson</p> <p>Financial Markets: TBD</p> <p>Subject Librarian: David Gebhardi, David.Gebhardi@unibz.it</p>
Supplementary readings	A list of supplementary readings (slides, case studies, journal articles, etc.) will be provided during the courses and posted on the ole platform.
Software used	Excel package