

1. BASIC INFORMATION

Course	Module III. Financial Management and Investment Assessment
Degree program	Master's Degree in Financial Management
School	Faculty of Economics, Business, and Communication
Year	1
ECTS	6
Credit type	Obligatory
Language(s)	English
Delivery mode	Campus-based
Semester	First
Academic year	2024-2025
Coordinating professor	Dr. Hubert Augusto Joo Kitano

2. PRESENTATION

Financial management and investment assessment. Through the contents of this module, we will work to deeply understand the structure of a company from the financial point of view. The most frequent questions about how to understand the financial statements of a company or which is the optimal level of debt a company should have will be answered during this semester.

In addition, we will learn how to make investment decisions if we know or assume discounted cash flows projected in several future scenarios or through Montecarlo simulations. The investment project assessment can be a handy financial tool.

This module will help you achieve deep knowledge of the most important valuation methods. We will work with the usual methodologies of asset valuation, both fixed and variable income, explaining the embedded risks of both alternatives. We will also learn how to value a company.

Lastly, we will learn to use financial investment models for a balanced portfolio of optimal diversification, taking into account both risk and profitability and different types of investments regarding risk aversion or preference.

3. LEARNING OUTCOMES

Knowledge

CON2. Understand the instruments used in financial planning, analysis, and assessment of the company's financial position and investments.

CON3. Identify inorganic growth/business restructuring strategies based on identifying risk and fiscal optimization strategies.

- Determine a company's cash flows.
- Understand how to select an optimal portfolio.

Skills

HAB2. Perform the analysis of the macroeconomic situation and a company's financial statements and investments.

HAB3. Use financial strategies to improve a company's results.

- Analyse the economic and financial structure of the company so that effective business decisions can be made.
- Evaluate a company's investment projects.
- Assess variable income and fixed income financial assets.
- Examine the return and risk associated with financial assets as criteria for making investment decisions.

Competences

COMP4. Analyse and interpret company financial statements and their limitations when making business decisions.

COMP5. Evaluate investment selection criteria, the net present value of funds generated, and the rate of return required for investment decisions at the financial management level.

COMP11. Use and evaluate portfolio management and optimization techniques designed to achieve the desired results.

4. CONTENT

- Analysis of a company's economic and financial structure: analyzing and interpreting the company's financial information to support decision-making.
- Investment analysis: accounting and free cash flow estimation, criteria (net present value/return), sensitivity analysis, and scenarios.
- Project assessment: real options.
- Valuation of financial assets and companies.
- Portfolio theory: risk and return, risk diversification, market risk measurement.
- Portfolio theory: optimal portfolio model.

5. TEACHING-LEARNING METHODOLOGIES

The types of teaching-learning methodologies used are indicated below:

- Lectures
- Case studies
- Collaborative learning

- Problem-based learning

6. LEARNING ACTIVITIES

Listed below are the types of learning activities and the number of hours the student will spend on each one:

Campus-based mode:

Learning activity	Number of hours
Lectures	12
Practical application seminars	18
Independent study	50
Synchronous online academic tutorials	18
Debates and colloquiums	8
In-person evaluation tests	2
Solving case studies	10
Synchronous oral presentations	2
Problem-solving	20
Drawing up reports and written work	10
Total	150

7. ASSESSMENT

Listed below are the assessment systems used and the weight each one carries towards the final course grade:

Campus-based mode:

Assessment system	Weight
In-person evaluation tests	60%
Reports and written documents	20%
Case/problem	20%

When you access the course on the *Campus Virtual*, you'll find a description of the assessment activities you have to complete, as well as the delivery deadline and assessment procedure for each one.

7.1. Ordinary exam call

To pass the subject in the ordinary exam call, you must obtain a grade greater than or equal to 5.0 out of 10.0 in the subject's final grade (weighted average).

In any case, you must obtain a grade greater than or equal to 5.0 on the final test so that it can be averaged with the rest of the activities.

7.2. Extraordinary exam call

To pass the subject in the extraordinary exam call, you must obtain a grade greater than or equal to 5.0 out of 10.0 in the subject's final grade (weighted average).

In any case, it will be necessary for you to obtain a grade greater than or equal to 5.0 in the final test so that it can be averaged with the rest of the activities.

The activities not passed or submitted in the ordinary call must be submitted after the instructor has provided the corresponding corrections and feedback.

8. SCHEDULE

This table shows the delivery deadline for each assessable activity in the course:

Campus-based mode:

Assessable activities	Deadline
Economic crises	Week 2
Short-term financial planning	Week 4
Working capital management	Week 5
Long-term financial planning	Week 7
The cost of capital: WACC	Week 9
Debt and equity financing	Week 10
Written assignment	Week 11
In-person evaluation tests	Week 4, 5, 6, 7, 9, 10, 12

This schedule may be subject to changes for logistical reasons relating to the activities. The student will be notified of any change as and when appropriate.

9. BIBLIOGRAPHY

The main reference work for this subject is:

- Aswath, D. (2010). Applied corporate finance.
- Brealey, R. A., Myers, S. C., & Marcus, A. J. (2023). *Fundamentals of corporate finance*. McGraw-Hill.
- Lalafaryan, N. (2024). Private credit: a renaissance in corporate finance. *Journal of Corporate Law Studies*, 1-55.

The recommended Bibliography is:

- Cai, X., & Song, X. (2024). Towards sustainable environment: Unleashing the mechanism between green finance and corporate social responsibility. *Energy & Environment*, 35(2), 986-1003.
- Madura, J. (2006). International corporate finance. *(No Title)*.
- Liu, L. X., Sun, Z., Xu, K., & Chen, C. (2024). AI-Driven Financial Analysis: Exploring ChatGPT's Capabilities and Challenges. *International Journal of Financial Studies*, 12(3), 60.

10. EDUCATIONAL GUIDANCE, DIVERSITY AND INCLUSION UNIT

From the Educational Guidance, Diversity and Inclusion Unit we offer support to our students throughout their university life to help them reach their academic achievements. Other main actions are the students inclusions with specific educational needs, universal accessibility on the different campuses of the university and equal opportunities.

From this unit we offer to our students:

1. Accompaniment and follow-up by means of counselling and personalized plans for students who need to improve their academic performance.
2. In terms of attention to diversity, non-significant curricular adjustments are made in terms of methodology and assessment for those students with specific educational needs, pursuing an equal opportunities for all students.
3. We offer students different extracurricular resources to develop different competences that will encourage their personal and professional development.
4. Vocational guidance through the provision of tools and counselling to students with vocational doubts or who believe they have made a mistake in their choice of degree.

Students in need of educational support can write to us at:

orientacioneducativa@universidadeuropea.es

11. ONLINE SURVEYS

Your opinion matters!

The Universidad Europea encourages you to participate in several surveys which help identify the strengths and areas we need to improve regarding professors, degree programs and the teaching-learning process.

The surveys will be made available in the “surveys” section in virtual campus or via e-mail.

Your assessment is necessary for us to improve.

Thank you very much for your participation.