

UNIVERSITY OF CASTILLA-LA MANCHA

TEACHING GUIDE / SYLLABUS

1. Course and Instructor Information

Subject: Economic Analysis and Finance

Type: ELECTIVE

Degree: 316 – ECONOMICS

Faculty: (5) ECONOMIC AND BUSINESS SCIENCES – ALBACETE

Year: 4

Official language: Spanish

Teaching use of additional languages:

Some textbooks, suggested readings and supplementary resources for the students can be available in English. Furthermore, this subject offers support in English for Erasmus Students.

Web site: www.uclm.es/profesorado/fjareno

Course number: 53334

ECTS Credits: 4.5

Academic year: 2016-17

Group number: 10

Semester: 1

Second language: English

Instructor's name: FRANCISCO JARENO CEBRIAN – Group number: 10

Office location	Department	Telephone	Email address	Office hours
Faculty of Economic and Business Sciences Number: 3.07	ECONOMICS AND FINANCE	2376	francisco.jareno@uclm.es	It will be announced in Moodle

2. Prerequisite

Basic knowledge about mathematical and financial concepts, such as calculus and numerical series, progressions, logarithms, derivation and basic integration, interest rates and financial transactions, among others. Therefore, students should be also enrolled in the subject *Financial Management*.

3. Justification in the curriculum, relationship with other subjects and the professional career

Objective of the course

The purpose of this elective subject is to increase knowledge about Finance, specifically regarding valuation of Fixed-Income Securities, Term Structure of Interest Rates (in the first part of the course), and Portfolio Management, among others (during the second half of semester).

Relationship with other subjects

This subject is related with many others, because of concepts such as interest rate, financial transactions, loans and valuation of financial assets (directly interrelated with Economic Policy, Basic Accounting, Principles of Economics, Mathematics, Statistics, Introduction to Econometrics, Economic History, Financial System, etc.).

Relevance for the professional career

The subject, together with "Financial Management", is an essential part of the background in a degree in Economics as well as the professional career, both in private enterprise, a financial institution or a public entity. The role of this subject is essential because of the relevance of the financial aspects. In addition, training in finance can be complemented with another elective subject: "Mathematical Modelling for Finance".

4. Competencies

Competencies achieved with this subject

E02	To understand the role of the institutions and economic agents in the economic and social activity.
E03	Ability to find economic data and select relevant facts.
E04	Analytical capacity to identify and predict relevant economic and legal problems and the alternatives needed to solve them.
E06	Application of professional criteria to the analysis of problems, based on the use of technical tools.
E15	Ability to develop relevant financial information for business decision-making.
G01	Possession of the skills needed for continuous, self-led, independent learning, which will allow students to develop the learning abilities needed to undertake further study with a high degree of independence.
G02	Ability to understand the ethical responsibility and the code of ethics of professionals working in the field of economics. To know and apply the legislation and recognition of human rights and questions of gender equality.
G04	Ability to use and develop information and communication technologies and to apply them to the corresponding business department by using specific programmes for these business areas.

5. Learning outcomes

For this subject

To know tools and methods for quantitative analysis of markets, sectors and companies, including models for decision-making and economic forecasting models.

To know different basic concepts of Finance, focusing on its interpretation to extract relevant information for the company.

To enable the student to look for, analyse, interpret, summarize and communicate information.

To train the student to promote ethical practices in the professional career, and the social responsibility in decision-making.

6. Contents

Unit 1 FINANCIAL MARKETS

Unit 2 VALUATION OF FIXED-INCOME SECURITIES

Unit 3 TERM STRUCTURE OF INTEREST RATES

Unit 4 RISK AND EXPECTED RETURN OF ASSETS

Unit 5 MARKOWITZ PORTFOLIO SELECTION
 Unit 6 THE CAPITAL ASSET PRICING MODEL (CAPM)
 Unit 8 SHARPE SIMPLIFIED MODEL

Additional comments

7. Course resources and teaching methods

Learning activity	Methodology	Related Competencies	ECTS	Hours	Assessable	Compulsory
Theoretical classes	Master Class	E02, E03, E04, E06, G02	1.00	25.00	No	-
Practical lessons	Problem solving: collaborative/cooperative learning	E02, E03, E04, E06, E15, G02, G04	0.50	12.50	Yes	No
e-activities	Combination of methods	E02, E03, E04, E06, E15, G02, G04	1.00	25.00	Yes	Yes
Preparation for tests	Autonomous work	E02, E03, E04, E06, E15, G02, G04	1.90	47.50	No	-
Final exam	Assessment Test	E02, E03, E04, E06, E15, G02, G04	0.10	2.5	Yes	Yes

8. Assessment criteria and assessment

Assessment criteria	Assessment	Compulsory
Class attendance and participation	15%	No
Evaluation and co-evaluation activities	25%	Yes
Final exam	60%	Yes

9. Course schedule, assignments, due dates and estimated workload

Unit 1 (out of 8): FINANCIAL MARKETS

Period of time: Weeks 1 and 2

Unit 2 (out of 8): VALUATION OF FIXED-INCOME SECURITIES

Period of time: Weeks 3, 4 and 5

Comment: OPTIONAL PRACTICE 1

Unit 3 (out of 8): TERM STRUCTURE OF INTEREST RATES

Period of time: Weeks 6, 7 and 8

Comment: COMPULSORY PRACTICE 1 (IN GROUPS)

Unit 4 (out of 8): RISK AND EXPECTED RETURN OF ASSETS

Period of time: Weeks 9 and 10

Comment: OPTIONAL PRACTICE 2

OPINION ARTICLE FOR THE JOURNAL "DIGITAL ECONOMY"

Unit 5 (out of 8): MARKOWITZ PORTFOLIO SELECTION

Period of time: Weeks 11, 12 and 13

Comment: OPTIONAL PRACTICE 3

Unit 6 (out of 8): THE CAPITAL ASSET PRICING MODEL (CAPM)

Period of time: Week 14

Comment: OPTIONAL PRACTICE 4

Unit 7 (out of 8): SHARPE SIMPLIFIED MODEL

Period of time: Week 15

Comment: COMPULSORY PRACTICE 2 (IN GROUPS)

10. References and resources

Author/s	Title/Web site	Publisher	City	ISBN	Year
HAUGEN, R.A.	Modern Investment Theory	Prentice Hall		0-13-019170-1	2001
NAVARRO, E. y NAVE, J.M.	Fundamentos de Matemáticas Financieras	Antoni Bosch	Barcelona	978-84-95348-01-2	2001
PINDADO, J.	Finanzas Empresariales	Paraninfo	Madrid	978-84-9732-895-1	2012