61424 - Financial Economics: Classical Approaches and New Trends

Syllabus Information

Academic year: 2023/24
Subject: 61424 - Financial Economics: Classical Approaches and New Trends
Faculty / School: 109 - Facultad de Economía y Empresa
Degree: 526 - Master's in Accounting and Finance
ECTS: 6.0
Year: 1
Semester: First semester
Subject type: Compulsory
Module:

1. General information

The main objective of this subject is to provide students with the knowledge and tools necessary to understand the functioning of financial markets and asset valuation, both from a classical efficient market perspective and from the most recent proposals of behavioural finance.
These approaches and objectives are aligned with the Sustainable Development Goals (SDGs) of the United Nations 2030 agenda (https://www.un.org/sustainabledevelopment/es/), specifically, the learning activities planned in this subject will contribute to the achievement of targets 4.3, 4.4 and 4.7 of Goal 4 and targets 8.5 and 8.6 of Goal 8.

2. Learning results

-Knowledge of the background and status of basic research in the area of financial economics.

- Practical application and empirical contrast of the classical theories proposed in the most relevant basic research developed in the area of financial economics.

-Identification of psychological factors affecting decision making and their practical application in decision makers and financial markets.

-Discussion of the empirical evidence provided by classical valuation models and those proposed by the new behavioural finance theories.

3. Syllabus

- MODULE A: Background and theoretical foundations of the lines of research in finance.

- MODULE B: Empirical application of classical valuation models in finance.

- MODULE C: New trends: Behavioural finance.

4. Academic activities

-Theoretical expository sessions: 28h.

Participative lectures in which the contents of the subject will be explained, promoting the active participation of the students.

-Practical sessions: 28h.

These may be individual or group activities, directed or autonomous. They will be carried out mainly in the computer classroom.

-Personal work: 90h.

Personal study and solving of practical cases.

Assessment tests: 4 h

Two written tests.

5. Assessment system

The course will be evaluated by means of a continuous or global assessment in the first call and exclusively by means of an overall assessment in the second call.

Continuous assessment:
It consists of two written tests, one at the end of Module B and the other at the end of Module C, as well as of the delivery of several practical works and reports. In order to pass the subject by this method, it will be necessary to submit all the assignments proposed by the teachers within the established deadline, to obtain a minimum grade of 3 points out of 10 in each written test and to obtain an average grade of 5 points out of 10 in all the assessment activities. All assignments must be delivered within the deadlines. In case a student cannot meet these or can´t hand in an assignment (for justified reasons), this will only be allowed once. The grade for this assignment in the overall average will be 0.
The grade for the continuous assessment system is distributed as follows:

Module A: Introductory, not evaluable.
Module B: 45%
Module C: 55% Module C: 55% Module B: 45%

Students who do not opt for continuous assessment, do not pass the subject according to this system or would like to improve their grade are entitled to take a global test. In any case the best of the grades obtained will prevail.

The overall test will be held in accordance with the schedule to be established for the master and will consist of an exam in which topics corresponding to modules B and C will be addressed. In order to pass the subject by this method, the grade of the exam must be equal to or higher than 5 points out of 10.

Assessment criteria:
Written tests: mastery of contents, use of terminology, accuracy of concepts, justification of arguments, correctness of procedures and results.
Practices: correctness of procedures, interpretation of results.