

Course Descriptions Bachelor 2013-2014

Course Title Financial Markets

Course Code EBC2006

ECTS Credits 6,5

Assessment None

Period	Period	Start	End	Mon	Tue	Wed	Thu	Fri
2	28-10-2013	20-12-2013	X			X		

Level Intermediate

Coordinator Leonard Wolk For more information: l.wolk@maastrichtuniversity.nl

Language of instruction English

Goals

- Understand what finance theory says about how risky securities are priced in equilibrium.
- Understand what finance theory has to say about the mix between debt and equity finance for a firm.
- Understand the implications of the previously mentioned points for risky investment valuation.
- Understand dividends: Why do firms pay dividends? Do investors demand dividends? Should dividends matter for the firm or the investor?
- Learn about derivatives and their use as risk management tools by firms and investors.

Description The course deals with basic issues in finance, such as risk diversification and asset pricing, capital structure, investment valuation, market efficiency, dividend policy and the use of derivatives.

Literature Berk & De Marzo, Corporate Finance, Pearson

Prerequisites Students are expected to understand the following finance concepts: Types of securities (stocks, bonds) and their returns; the concept of risk diversification and efficient frontiers, principles of time value of money. Exchange students need to have taken at least one introductory finance course. An advanced level of English

Teaching methods PBL / Lecture / Assignment

Assessment methods Participation / Written Exam

Evaluation in previous academic year For the complete evaluation of this course please click <http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM>

This course belongs to the following programme / specialisation

Bachelor Economics and Business Economics Specialisation International Business Economics	Compulsory Courses
Bachelor Economics and Business Economics Specialisation International Economic Studies	IBE Electives
Bachelor Fiscal Economics	Year 2-3 Compulsory Courses
SBE Exchange Bachelor	Bachelor Courses
SBE Exchange Master	Bachelor Courses
SBE Non Degree Courses	Bachelor Courses