COURSE DATA

Data Subject	
Code	35850
Name	Corporate finance instruments
Cycle	Grade
ECTS Credits	6.0
Academic year	2019 - 2020

Study (s)

Degree	Center	Acad. year	Period
1313 - Degree in Business Management and Administration	Faculty of Economics	3	Second term

Subject-matter

Degree	Subject-matter	Character
1313 - Degree in Business Management and Administration	45 - Compulsory subjects in the pathway: financial management	Optional

Coordination

Name	Department
LASSALA NAVARRE, CARLOS	172 - Business Finance

SUMMARY

The course Corporate Financing Instruments is taught in the third year, second semester, of the Degree in Business Administration. It relates to the subject International Corporate Finance, along with the subjects Financial Planning and International Finance, which are taught in the fourth year. It includes a body of knowledge that the financial management of every company needs to apply in developing normal financial activity. We note that, previously, students will have completed the first semester of third year the course Theory of Finance, part of the subject Principles of Financial Management.

Nowadays any company needs professionals in the financial sector able to make the best funding decisions in the context of uncertainty resulting from the current economic situation. Making the best funding decisions has always constrained the development and stability of the company, but now it has become a prerequisite for survival.

This course provides an overview of the Spanish financial system and the characteristics of the corporate structures that we find in Spain. Then it deals with the description and analysis of corporate financing instruments available (securities, bank financing, etc.) as well as decisions on financing. We must also take into account the specific characteristics of SMEs introducing a number of instruments of financial support to these businesses. As the economic and business environment becomes increasingly globalized, the financial management of a company operating in a global context faces a number of specific challenges and it is necessary to have a basic understanding of the international financial system and international financial markets. Finally, we focus on the financial instruments of companies operating in an international context. We also describe the various operations on the currency market, the international issue of bonds and the international credit market.

The main objective of the course Corporate Financing Instruments is to provide students with the knowledge and skills to carry out appropriate business asset finance. For this purpose, a number of objectives are presented:

- Knowledge and understanding of the fundamental characteristics of the Spanish financial system and business network in Spain.
- Proper selection and management of the various forms of external financing business.
- Knowledge of financial support instruments serving SMEs.
- Location of the business world in a global environment.
- Acquisition of basic understanding of the financial system and markets and international financial instruments.

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

In order to follow the explanations of class and achieve a good understanding of the basics of the subject it is required that the student has a prior knowledge of Finance Theory, Financial Mathematics, Financial Accounting and Statistics.

OUTCOMES

1313 - Degree in Business Management and Administration

- Be able to understand and analyse financial markets, as well as financial operations related to business.
- Know the fundamentals that govern financial operations and markets.
- Know the different financing instruments and be able to determine the company's indebtedness policy.

- Be familiar with financial problems in specific contexts (SMEs, family businesses, etc.).
- Know the national and international financial environment and the risks associated.

LEARNING OUTCOMES

Those of the International Corporate Finance subject:

- Being able to select between the different sources of funding available, internal, external and international best suited to the specific problems of the company.
- Being able to establish and develop appropriate funding policies to business strategies.
- Using information on funding opportunities for start-ups and being able to design an appropriate debt policy.
- Getting an accurate view of the financial problems of SMEs.
- Knowing the sources of European funding and financing of international trade.
- Understanding the importance of the finance function in the international development of the company.

DESCRIPTION OF CONTENTS

1. TOPIC 1: FINANCIAL SYSTEM AND CORPORATE STRUCTURE

1. Introduction.
2. Structure of the Spanish financial system.
3. Company structure in Spain.
4. Ethics and financial system.

2. TOPIC 2: EQUITY FINANCING

1. Financing through issuance of shares.
2. IPO: initial public offering.
3. Characteristics of IPOs.
4. Additional capital: new issues.

3. TOPIC 3: BOND FINANCING

1. Corporate debt.
2. Bond clauses.
3. Reimbursement clauses.

4. TOPIC 4: OPERATIONAL FUNDING AND CREDIT MARKET

1. Operational funding
2. The credit market: basic features.
3. Short-term bank financing.
4. Payment management: confirming.
5. Collection management: factoring.
6. Bank financing medium and long term.

5. TOPIC 5: FINANCING OF SMEs.

1. Characteristics of the SMEs.
2. The Official Credit Institute.
3. The mutual guarantee.
4. The equity loans.
5. The venture capital.

6. TOPIC 6: FINANCING IN AN INTERNATIONAL CONTEXT.

1. International monetary system.
2. The foreign exchange market: exchange rate, spot and forward transactions.
3. International issuance of fixed income securities and international loans.
4. The risk of insolvency.

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	30,00	100
Study and independent work	90,00	0
TOTAL	**150,00**	

TEACHING METHODOLOGY

- The basic methodology to be used will be the lecture, although it will be encouraged discussion and student participation. The aim is to convey to students the theoretical background of the subject necessary for further practical reasoning in financial terms.
- The practice sessions will include the approach and resolution of problems and cases within the scope of the subject so that students are able to synthesize relevant information, understand and solve the exercises presented. The students will do personal work on some of the case studies provided.

- During lectures the board and the projection of transparencies will be used interchangeably. The necessary material for each session will be available to students.

EVALUATION

- Continuous assessment: it accounts for 20% of the final grade of the subject and is based on the participation and involvement of students in the teaching-learning process. In order to evaluate the learning of the course will employ a diversified assessment system that allows assessing the knowledge and skills acquired by students.
- Final exam: it accounts for 80% of the final grade and it will consist of multiple choice questions and case studies. Multiple choice questions will help determine the student's general knowledge about the subject, while with case studies solving it will be assessed the student's ability to synthesize relevant information and provide an adequate solution to the problems. In the final exam, each part will be scored separately, and a minimum score in one or each of the parts may be required to pass the exam.

REFERENCES

Basic

- CUERVO, A.; RODRÍGUEZ, L.; CALVO, A.; PAREJO, J.A. (2014): Manual del sistema financiero español. Ariel Economía.

  LASSALA, C.; MEDAL, A.; NAVARRO, V.; SANCHIS, V.; SOLER, A. (2011): Dirección financiera II: medios de financiación empresarial. Pirámide.

Additional

- BERK, J.; DeMARZO, P.; HARDFORD, J. (2010): Fundamentos de finanzas corporativas. Pearson.

  BLANCO, F; FERRANDO, M.; MARTÍNEZ, M.F. (2005): Dirección Financiera I. Pirámide. Madrid.

  BREALEY, R.; MYERS, S.; ALLEN, F. (2010): Principios de finanzas corporativas. McGraw Hill.

  CANTALAPIEDRA, M. (2005): Manual de gestión financiera para pymes. CIE Inversiones Editoriales Dossat 2000.

  FERRANDO, M.; GÓMEZ, A.R.; LASSALA, C.; PIÑOL, J.A.; REIG, A. (2005): Teoría de la Financiación I:modelos CAPM, APT y aplicaciones. Pirámide.

  GOMEZ, A.R., PIÑOL, J.A., REIG, A.; RODRIGO, A. (2006): Teoría de la financiación II: OPT, estructura de capital y dividendos. Pirámide.

MARTÍN, J.L.; TÉLLEZ, C. (2006): Finanzas Internacionales. Thomson

LÓPEZ LUBIÁN, F.J.; GARCÍA ESTÉVEZ, P. (2006): Finanzas en Mercados Internacionales. McGraw Hill.

ROSS, S.; WESTERFIELD, R.W.; JAFFE, J.F. (2009): Finanzas Corporativas. Irwin.

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

English version is not available

1. Contenidos

Se reduce el contenido inicialmente programado en la guía docente, eliminando el tema 6 dedicado a la financiación en un contexto internacional y se adopta una metodología docente no presencial para explicar los temas que no se han podido impartir de manera presencial.

2. Volumen de trabajo y planificación temporal de la docencia

Los tres primeros temas de la guía docente se han impartido mediante clases presenciales. Para los dos temas restantes se han sustituido por docencia no presencial, respetando el volumen de trabajo de la guía docente. Semanalmente se facilita el material correspondiente al cronograma y se realizan tutorías electrónicas para resolver dudas de la materia.

3. Metodología docente

Cada profesor utiliza la metodología que mejor se adapta a sus posibilidades técnicas y a su método de trabajo. Al respeto, se utiliza una amplia gama de recursos: diapositivas de los temas que se impartirían si la docencia fuera presencial, videos grabados de esas diapositivas con audio explicativo, ficheros explicativos de las diapositivas dejadas, enunciados de problemas prácticos en la hora de clase, dejando un tiempo de resolución, y facilitando la solución al acabar el tiempo de resolución, tutorías semanales grupales con Blackboard collaborate y tutorías electrónicas mediante el correo electrónico.

4. Evaluación

Se modifican los pesos de las diferentes partes del sistema de evaluación establecido en la guía docente original. Así, la evaluación continua pasa a tener un peso del 40% y pasa a tener carácter recuperable, y la prueba final resulta con un peso del 60%. Hasta ahora la evaluación continua realizada ha tenido un peso del 20% por lo cual se complementará con diferentes pruebas dirigidas por cada profesor a través de aula virtual (cuestionarios online, actividades y ejercicios a resolver y entregar en plazo en el apartado “Tarea” del aula virtual, etc.) hasta el 40% de la evaluación. El examen final se realizará en la fecha oficial establecida mediante un cuestionario en el aula virtual, el contenido del cual se corresponderá con la guía académica. Será un cuestionario con preguntas aleatorias para cada estudiante, carácter secuencial y duración temporal ajustada al tiempo estrictamente necesario para responder.

En cualquier caso, el profesorado comunicará adecuadamente al estudiantado toda la información precisa en relación con la forma, contenidos, fecha, duración y valoración de las pruebas a realizar para su evaluación.

5. Bibliografía

La bibliografía de la guía docente original se complementa con los materiales adicionales elaborados por el profesorado: diapositivas con audio y/o video, documentos en diferentes formatos con explicaciones detalladas y problemas resueltos.