



## FICHA TÉCNICA DE LA ASIGNATURA

Datos de la asignatura	
Nombre completo	Corporate Finance
Código	E000007118
Cuatrimestre	Semestral
Créditos	6,0 ECTS
Carácter	Business in Spain
Departamento / Área	Departamento de Gestión Financiera
Responsable	Ignacio Cervera (coord.)
Descriptor	Stock valuation. Bond valuation. Company valuation. Portfolio management. Capital structure. Dividend policy. Options, futures and other derivatives. Financial ethics.

Datos del profesorado	
Profesor	
Nombre	Ignacio Cervera Conte
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## DATOS ESPECÍFICOS DE LA ASIGNATURA

Contextualización de la asignatura
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Competencias - Objetivos
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## BLOQUES TEMÁTICOS Y CONTENIDOS

Contenidos – Bloques Temáticos
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### Part 1: Valuation

#### Chapter 1: Stock valuation

- 1.1. The present value of common stocks
- 1.2. Estimates of parameters in the Dividend Discount Model
- 1.3. Growth opportunities
- 1.4. Price-earnings ratio
- 1.5. Some features of common and preferred stocks



## Chapter 2: Bond valuation

- 2.1. Bonds and bond valuation
- 2.2. More on bond features
- 2.3. Bond ratings
- 2.4. Some different types of bonds
- 2.5. Determinants of bond yields
- 2.6. Interest rate risk: Duration

## Chapter 3: Company valuation

- 3.1. Introduction
- 3.2. Overview of company valuation methodologies
- 3.3. Discounted cash flows valuation
- 3.4. Relative valuation using multiples

## PART 2: Risk and return, CAPM and cost of capital

### Chapter 4: Portfolio management

- 4.1. Expected return, variance and covariance for individual securities
- 4.2. Return and risk for portfolios
- 4.3. The efficient set
- 4.4. Riskless borrowing and lending
- 4.5. Diversification. Systematic and unsystematic risk
- 4.6. CAPM and beta
- 4.7. Efficient capital markets. Types of efficiency. Evidence

## PART 3: Other financial decisions: Capital structure and dividend policy

### Chapter 5: Capital structure

- 5.1. Capital structure and firm value
- 5.2. Modigliani and Miller propositions I and II
- 5.3. Costs of financial distress
- 5.4. Tax effect
- 5.5. Other considerations
- 5.6. How firms establish capital structure



## Chapter 6: Dividend policy

- 6.1. Different types of dividends
- 6.2. Irrelevance of dividend policy
- 6.3. Personal taxes, issuance costs and other real world factors
- 6.4. The clientele effect
- 6.5. What we know and do not know about dividend policy
- 6.4. Repurchase of stock
- 6.5. Stock dividends and stock splits

## PART 4: Special topics

## Chapter 7: Options, futures and other financial derivatives

- 7.1. Introduction to derivative markets
- 7.2. Forwards and futures
- 7.3. Options. Calls and puts. Buying and selling options
- 7.4. Valuing options

## Chapter 8: Financial ethics

- 8.1. Introduction
- 8.2. Use of financial information
- 8.3. The financial goal of a corporation

## METODOLOGÍA DOCENTE

### Aspectos metodológicos generales de la asignatura

#### Metodología Presencial: Actividades

Regular teaching sessions where the teacher will define and explain the technical terms and analysis, giving examples and pointing at the issues that arise debate in the reality of corporate finance. The student should listen attentively, trying to understand the rational and ideas being explained. He is expected to take notes of the main contents to complement class material. Classroom discussion is encouraged, and students can interrupt the professor asking questions or requesting further clarification. Preparation prior to the class is essential to take the most of the teaching session.

In addition to this, there are classes with a more active involvement from students. They will carry out activities and problems, supervised by the teacher, trying to apply in practice the theoretical content explained in class. During these workshops, problems are solved, case studies are discussed and news or reading material related to the topic are debated. Sometimes the work will be done individually, and sometimes the students will work as a team.

A few sessions may be spent in talks or presentations from guests who are professionals from different areas related to corporate finance.



## Metodología No presencial: Actividades

Besides taking part in class work and supervised workshops, the student needs to spend time revising individually the course material. Outside of the classroom, the student must read the materials assigned by the teachers, he also must work and solve problems and questions and look for additional information when needed. He also may need to work with fellow students in group assignments.

## EVALUACIÓN Y CRITERIOS DE CALIFICACIÓN

### Calificaciones

Activities assessed	Weight
Classroom participation and discussions	10%
On-going assessments	30%
Final exam	60%

It is compulsory to attend a minimum of 65% of class sessions to attend the Final Exam.

## BIBLIOGRAFÍA Y RECURSOS

### Bibliografía Básica

ROSS, Stephen; WESTERFIELD, Randolph; JAFFE, Jeffrey and JORDAN, Bradford (2018). Corporate Finance: Core Principles and Applications. Ed. McGraw-Hill. 5th edition.

### Bibliografía Complementaria

- BREALEY, Richard; MYERS, Stewart y ALLEN, Franklin (2020): Principles of Corporate Finance, 13th edition. Ed. Mc Graw-Hill.
- BREALEY, Richard; MYERS, Stewart y MARCUS, Alan (2018): Fundamentals of Corporate Finance, 9th edition. Ed. Mc Graw-Hill.
- HAWAWINI, Gabriel and VIALLET, Claude (2010): Finance for Executives: Managing for Value Creation, 4th edition. Ed. South-Western College Publications.
- ROSS, Stephen A.; WESTERFIELD, Randolph W. and JAFFE, Jeffrey (2018): Finanzas Corporativas, 11ª edición. Ed. Mc Graw-Hill.