Investment and Finance. An Introduction

• Module content

This module provides an overview of neoclassical investment and financing theory. The students will be familiarized with the basics of finance, including both tax aspects and risk considerations.

Structure:

Part 1: Investment calculation
   a. Financial Mathematics: calculation of compound interest and annuities
   b. Investments under certainty
   c. Investments taking into account taxes
   d. Investments under uncertainty

Part 2: Financing
   a. Forms of financing
   b. Capital structure policy (equity versus debt financing)
   c. Dividend policy (external versus internal financing)

• Competence description

After completing the course „Investments and Finance: An Introduction“, the students will be able to

(i) understand the fundamentals in financial mathematics;
(ii) solve investments decisions by means of dynamic approaches, in particular via capital plans and present values;
(iii) systematize forms of financing and evaluate their application.

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