



DETAILED SYLLABUS

General Finance

1. Information about the study program

1.1 University	Babeș-Bolyai University
1.2 Faculty	Faculty of Economics and Business Administration
1.3 Department	Finance
1.4 Field of study	Accounting
1.5 Program level (bachelor or master)	Master
1.6 Study program / Qualification	Accounting and Organizations

2. Information about the subject

2.1 Subject title	EME0632 General finance						
2.2 Course activities professor	Professor Florin Vasvari, PhD Associate professor Adrian Zoicas-Ienciu, PhD						
2.3 Seminar activities professor	Associate professor Adrian Zoicas-Ienciu, PhD						
2.4 Year of study	I	2.5 Semester	2	2.6 Type of assessment	SE	2.7 Subject regime	CO

3. Total estimated time (teaching hours per semester)

3.1 Number of hours per week	4	out of which: 3.2 course	2	3.3 seminar/laboratory	2
3.4 Total number of hours in the curriculum	56	out of which: 3.5 course	28	3.6 seminar/laboratory	28
Time distribution					Hours
Study based on textbook, course support, references and notes					40
Additional documentation in the library, through specialized databases and field activities					20
Preparing seminars/laboratories, essays, portfolios and reports					24
Tutoring					4
Assessment (examinations)					6
Others activities					-
3.7 Total hours for individual study	94				
3.8 Total hours per semester	150				
3.9 Number of credits	6				

4. Preconditions (if necessary)

4.1 Curriculum	-
4.2 Skills	-

5. Conditions (if necessary)

5.1. For course development	-
5.2. For seminar / laboratory development	-

6. Acquired specific competences

Professional competences	<ul style="list-style-type: none"> An adequate usage of concepts, theories, methods and instruments from the financial field within public and private entities; Gathering, analyzing and interpreting data and information referring to different economical and financial problems; Developing different works concerning economic and financial aspects of private and public entities, operations and financial transactions. Applying theoretical decision making rules to the direct activity within public and private entities;
Transversal competences	<ul style="list-style-type: none"> Applying the principles, norms and ethical values of the profession within the own work strategy in an efficient and responsible way; Knowing, understanding, and having the capacity of analyzing and using the theories, principles and fundamental methods of investigations specific in the case of a market economy;

7. Subject objectives (arising from the acquired specific competences)

7.1 Subject's general objective	Understanding the elementary concepts in finance, their interdependencies and the way in which they reflect in the investing practice of firms and individuals.
7.2 Specific objectives	Knowing and using elementary financial rationales in: asset valuation (projects, stocks, bonds), capital budgeting, the risk-return relation, CAPM model, informational efficiency, transaction costs.

8. Contents

8.1 Course	Teaching methods	Observations	
1. Introduction to finance: objectives, investments, firms vs individuals	Lecture, debates, examples	1 meeting	
2. The time value of money and net present value		1 meeting	
3. Stock and bond valuation: annuities and perpetuities		1 meeting	
4. Principles in capital budgeting		1 meeting	
5. Time-varying rates of return and the yield curve		1 meeting	
6. Uncertainty, default, and risk		1 meeting	
7. A first look at investments		1 meeting	
8. Investor choice: risk and reward		1 meeting	
9-10. The Capital Asset Pricing Model (CAPM)		2 meetings	
11-12. Market imperfections		2 meetings	
13-14. Perfect and efficient markets, and classical and behavioral finance		2 meetings	
References: Ivo Welch, Corporate Finance. An Introduction, Prentice Hall, 2009 (or 2nd ed., 2011), available for free at http://www.afajof.org/SpringboardWebApp/userfiles/afa/file/Free%20Textbooks/Welch-ed1.pdf			
8.2 Seminar/laboratory		Teaching methods	Observations
1. Introduction to finance: objectives, investments, firms vs individuals		Debates, problem questions, numerical examples	1 meeting
2. Rates of return, present and future values, discounting	1 meeting		
3. Applications – perpetuities and annuities	1 meeting		
4. Net present value, internal rate of return, profitability index	1 meeting		
5. Applications – yield curve	1 meeting		
6. Applications – expected value, probability distributions	1 meeting		
7-8. Risk, return, portfolio diversification	2 meetings		
9. Estimation of CAPM inputs	1 meeting		
10. CAPM – Empirical evidences	1 meeting		
11-12. Applications – market imperfections: taxes and transaction costs	2 meetings		
13-14. Informationa efficiency, arbitrage, event studies	2 meetings		
References: Ivo Welch, Corporate Finance. An Introduction, Prentice Hall, 2009 (or 2nd ed., 2011), available for free at http://www.afajof.org/SpringboardWebApp/userfiles/afa/file/Free%20Textbooks/Welch-ed1.pdf			

9. Corroboration / validation of the subject's content in relation to the expectations coming from representatives of the epistemic community, of the professional associations and of the representative employers in the program's field.

The course responsible was an active member of the financial markets analysts' profession during 2004-2007; he performed specific tasks for an important brokerage and fund management company based in Cluj-Napoca. Each year, both under and graduate students are attending practice and internship in different banks and brokerage companies. During workshops and conferences held at the faculty, the representatives of the investment industry are discussing with the teachers important matters in the field and challenges for the courses.

10. Assessment (examination)

Type of activity	10.1 Assessment criteria	10.2 Assessment methods	10.3 Weight in the final grade
10.4 Course	Understanding and using in an appropriate manner the specific concepts in finance; The ability to comment and argue based on financial reasonings.	Written exam consisting in open questions and numerical applications	70%
10.5 Seminar/laboratory	Applying and using the theoretical concepts in practical cases, critical thinking.	Written exam consisting in open questions and numerical applications	30%
10.6 Minimum performance standard			
<ul style="list-style-type: none"> • It is necessary to obtain a minimum grade of 5 (five) in order to pass this subject; • The grades being granted are between 1 (one) and 10 (ten); • Students must approach each element (question, problem) within the exam sheet; • The exam is written and takes approximately 120 minutes; 			