Linnæus University

Dnr: LNU-2024/1117

Course syllabus

School of Business and Economics

Department of Management

2FE34E Bachelor Course in Finance II, including degree project, 30 högskolepoäng

Bachelor Course in Finance II, including degree project, 30 credits

Main field of study

Business Administration

Subject

Business Administration

Level

First cycle

Progression

G₂E

Date of Ratification

Approved 2018-01-24.

Revised 2024-06-24. Changed the name of module 2 (as well as the set of examination) and standard texts.

The course syllabus is valid from spring semester 2025.

Prerequisites

The student shall have completed 60 credits within Business Administration, including basic courses in Financial Accounting, Finance and Management Accounting, and at least 15 credits Bachelor course in Finance I, or the equivalent. English 6, or the equivalent.

Objectives

Module 1: Corporate Finance II, 7.5 credits

After completing this module the student should be able to:

- explain how companies can finance their operations and discuss when different types of financing are appropriate
- describe the impact of the capital markets on firms, especially their conditions for survival and growth
- describe how financial assets are traded on the market
- perform analyses aiming to assess investments, firms and risks in firms
- give a basic account of theirs pertaining to valuation of financial instruments, including option theory
- explain financial and non-financial aspects of mergers and acquisitions
- within given time limits, perform and in writing and orally report a consistent assessment of the value of a firm

Module 2: International Economics and Finance, 7.5 credits

After completing this module the student should be able to:

- apply economic theory to long run trends and short run fluctuations in the open economy
- use macroeconomic concepts, theories and methods in order to analyze economic policies
- analyze the current monetary and financial related policy debate

Module 3: Business Administration, degree project (bachelor), 15 credits

After completing this module the student should be able to:

- conduct a literature study, relevant for the degree project
- · independently formulate a research problem
- use scientific research methods
- · collect and analyze data
- · critically discuss research reports
- independently write and present a degree project
- present, orally and in writing, and discuss their conclusions in dialogue with various groups

Content

Module 1: Corporate Finance II, 7.5 credits

The module contains:

- investment analysis and valuation theory, funding sources, capital structure and dividend policy
- the concept of risk and risk analysis
- advanced corporate analysis and consolidated statements
- company valuation, different strategies and considerations for takeovers and fusions
- development trends, financial markets and companies' financial conditions
- considerations and leadership when it comes to financial decisions in the company and for owners and other interested parties

Module 2: International Economics and Finance, 7.5 credits

The module contains:

- growth theory The Solow model and beyond
- exchange rate theories and the open economy
- currency crises, debt crises and the international monetary system

• topics on consumption, investment, credits and monetary policy

Module 3: Business Administration, degree project (bachelor), 15 credits

The module is based on a series of seminars about the students' reports during the process of writing a degree project. The work with the degree project includes definition and formulation of a research question, writing a report about the research work and critically discusses and analyse other students' work material.

Type of Instruction

Module 1: Corporate Finance II, 7.5 credits

The teaching consists of lectures and practical assignments.

Module 2: International Economics and Finance, 7.5 credits

The teaching consists of lectures and exercises.

Module 3: Business Administration, degree project (bachelor), 15 credits

The teaching consists of seminars and tutoring.

Examination

The course is assessed with the grades A, B, C, D, E or F.

Module 1: Corporate Finance II, 7.5 credits

The course is examined through an individual written examination 4.5 credits, solutions of cases and oppositions of cases in groups 3 credits.

Module 2: International Economics and Finance, 7.5 credits

The course is examined through a written individual examination 4.5 credits and written group assignments with seminars 3 credits.

Module 3: Business Administration, degree project (bachelor), 15 credits

The course objectives are examined a seminar series of oral and written presentations/defense, as well as a written master's degree report (15 credits). The examination includes oral and written oppositions on degree projects, as well as a seminar series of individual mini-oppositions.

For students who do not participate in regular seminars or students whose dissertation is not approved, even after completion, there is possibility of repeat examination by the next regular course date. Resit examination is offered in accordance with Linnaeus University's Local regulations for courses and examination at the first- and second-cycle levels. The date of repeat examination will be announced no later than at the final seminar. If the degree project does not reach a passing grade at the end of the course, the student's right to further tutoring ceases.

The following applies to all modules:

The grade A constitutes the highest grade on the scale and the remaining grades follow in descending order where the grade E is the lowest grade on the scale that will result in a pass. The grade F means that the student's performance is assessed as fail.

The grade of the course is a combined assessment from the grades of the various course modules. The combined assessment is based on the grades and the scope of the course (30 credits). The more extensive a module is, the greater impact it will have on the final grade. Module grades with the grading scale between G-U will not be considered into the combined assessment. However, a G is required for each of the modules in order to receive a final course grade.

Resit examination is offered in accordance with Linnaeus University's Local regulations for courses and examination at the first- and second-cycle levels.

In the event that a student with a disability is entitled to special study support, the examiner will decide on adapted or alternative examination arrangements.

Course Evaluation

A course evaluation should be conducted during the course or in connection with its conclusion. The results and analysis of the completed course evaluation should be promptly communicated to students who have completed the course. Students participating in the next course instance should be informed of the results of the previous course evaluation and any improvements that have been made, no later than at the start of the course.

Overlap

The course cannot be included in a degree along with the following course/courses of which the content fully, or partly, corresponds to the content of this course:

Module 1: 2FE045:4, 2FE052 and 2FE196 with 7.5 credits each.

Module 2: 2FE045:6, 2FE008 and 2FE198 with 7.5 credits each.

Module 3: 2FE32E with 15 credits.

Other Information

Degree-seeking students, aiming towards achieving an undergraduate degree, are expected to complete this course and the previous course 'Bachelor Course in Finance I' at Linnaeus University. These two courses combined with a minimum of 120 credits of previous studies, out of which at least 60 credits in Business Administration and 30 credits outside of Business Administration, might make the student eligible for an undergraduate degree. All students have to apply for a degree upon completion of their studies, and their degree application is evaluated in relation to the local degree regulations at Linnaeus University.

Required Reading and Additional Study Material

Module 1: Coporate Finance II, 7.5 credits Required reading

Berk & DeMarzo. *Corporate Finance*. Pearson Education. Latest edition. About 1160 pages.

Damodaren, A. Investment valuation. *Tools and Techniques for Determining the Value of Any Asset*. Wiley. Latest edition. About 970 pages.

Scientific articles. About 80 pages.

Module 2: International Economics and Finance, 7.5 credits Required reading

Eun, C., Resnick, B., Chuluun, T., *International Financial Management*. Latest edition. About 600 pages.

Scientific articles. About 300 pages.

Module 3: Business Administration, degree project (bachelor), 15 credits

The literature will be selected together with the supervisor.