

**MÁSTER UNIVERSITARIO EN DIRECCIÓN FINANCIERA Y CONTABLE
DE LA EMPRESA
(Official Master's Degree in Accounting and Financial
Management)**

SUBJECT

- **Name:** New Financial instruments

Type of subject: elective

Credits: 3 ECTS

Hours dedication: 18 hours (in classroom) 60 hours (out classroom)

Professors: Ernest Solé and Andrei Boar

Contact: Ernest.Sole@bsm.upf.edu, Andrei.boar@bsm.upf.edu

COURSE DESCRIPTION

This course focus on how corporations deal with funding sources and investment decisions strategically, in order to maximize the shareholder value. The contents and the expected learning results of this course, are:

Contents:

1. Stock market (IPOs, takeovers, etc.).
2. Bond issue.
3. Hybrids.
4. Project finance.
5. Securitization.
6. Private Equity (venture capital).
7. Syndicated loans.

Learning results:

- Identifying the essential elements of fixed-income (bonds) and hybrid products: bonds, preference shares, subordinated debt, convertible debt securities, etc. As well as defining an efficient portfolio based on key factors.
- Interpreting the various methods for securitisation of assets and structured products.
- Knowing the concept of Project Finance, the areas in which it is applied, differences compared with traditional corporate financing and its development within the Basel III framework
- Analysis of country, sector and promoter risk, as well as the application of risk mitigators.
- Knowing how Private Equity firms work.
- Investors: hedge funds, family offices, pensions and stock

- compensations, etc.
- Main actions: raising funds, analysing different alternatives with great performance depending on the moment (real estate, start-ups, etc.)
- Divestments and recovery of capital: IPO, buyback, merger process, recapitalization.
- Understanding the elements of the syndication market and the keys to bank-business negotiation for these transactions: market assessment, selecting financial institutions, syndication strategy, etc.
- Analysis of asset-backed securities and share acquisition public offer.

Specific Abilities

CE1. Taking decisions aimed at achieving the company's overall accounting and financial objectives through the application of practical and advanced analysis techniques adapted to the business sector in which it operates.

CE2. Applying expert knowledge to finances and accounting through actual cases, role-play and real practices.

CE5 Carrying out projects in the accounting and finance field in order to have a set of scenarios to make the best decisions.

CE6. Applying specific analytical techniques from the field of finances and accounting with the aim of taking the most appropriate decisions, taking into account the economic context and the company's expectations.

CE8. Managing the company's financial resources effectively and efficiently with the aim of increasing its profits and profitability, in keeping with its overall accounting and financial objectives.

Methodology

The methodology used in the subject is essentially participatory and is fundamentally based on the discussion of practical cases, explanations based on real-world business experience and case presentations, reading and exercises by the participants. The subject materials must be worked on at home. This will allow sessions to focus on aspects previously discussed and ensure they are essentially practical. Moreover, presentations of cases, exercises and reading materials will be common. The groups/participants that are not presenting will have to submit a written assignment on the completion of their exercise to the professor or hand it in in the subject's global classroom.

Evaluation criteria

40 % Exam.

40 % Case studies,
20% oral presentations, active attendance.

Total course

Students need to obtain a minimum of 5 in the final exam to pass the course. This condition applies to both the regular exam and the retake exam. The final course grade of students that do not obtain a **minimum of 5 in the exam** will have a retake exam opportunity that will be programmed in accordance with the academic calendar. If a student has to retake the exam, his **maximal grade for the course will be a 5**.

Students are required to **attend 80% of classes**. Failing to do so without justified reason will imply a Zero grade in the participation/attendance evaluation item and may lead to suspension from the program.

Plagiarism is to use another's work and to present it as one's own without acknowledging the sources in the correct way. All essays, reports or projects handed in by a student must be original work completed by the student. By enrolling at any UPF BSM Master of Science and signing the "Honor Code," students acknowledge that they understand the schools' policy on plagiarism and certify that all course assignments will be their own work, except where indicated by correct referencing. Failing to do so may result in automatic expulsion from the program."

Reading Materials/ Bibliography/Resources

Bio of Professors

Andrei Boar. PhD candidate in Business & Economics (Universitat Internacional de Catalunya). Master's in finance and Controlling at UPF Barcelona School of Management. Specialised in financial analysis and financial accounting. He is professor of the area of Finance, Management and Control of UPF Barcelona School of Management.

Ernest Solé Udina. PhD. in Business (Universitat de Barcelona), Master in Business, Finance & Insurance Research, Bachelor in Business Management. He is the Head of Studies and Senior Lecturer at UPF-Barcelona School of Management, and Adjunct Teacher at Universitat Pompeu Fabra. He's got a long experience in the financial sector as well as in consulting in Hi-Tech Startups (funding, business valuation). His field of research focuses on the financing of Hi-Tech Enterprises in environments with a high degree of Information Asymmetry.