### Information Sheet: VK Finanzwirtschaft, 4 ECTS (2 SST), WS2014

**ABWL: Modul Finanzwirtschaft,**
Coordination a.o.Univ.–Prof. Mag. Dr. Christian Keber

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**Information about examination dates, registration, examination topics, grades, examination inspection dates and lecture procedures are not given by telephone or e–mail.**

For any other questions please use our service-email–address

vkfiwi.finance@univie.ac.at

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### Aim, content, and methodology

The aim of the course is to provide students with an understanding of the main features of modern capital market theory, and an introduction to corporate finance. Whilst the lectures will convey an introduction to the relevant theories, students are expected to apply the material in selected exercises.

#### 1 Modern Portfolio Theory and modern Capital Market Theory

1.1 Return and Risk of an Asset

1.2 Portfolio Theory

1.2.1 Stock Only Portfolios (without short selling)

1.2.2 Stock Only Portfolios (with short selling)

1.2.3 Cash & Stock Portfolios

1.3 Capital Asset Pricing Model

#### 2 Risik Adjusted Valuation

2.1 Relevant, Risik Adjusted Cost of Capital

2.2 Valuation with Equity–, Entity– and APV–Approach

### Requirements

Successful completion of: “EK aus ABWL: Finanzwirtschaft”.

### Successful participation

This course is “prüfungsimmanent”. For successful completion, the following requirements need to be satisfied.

- The lectures are accompanied by a total of 6 short online tests (eKKs). In each eKK, 20 points can be obtained; only the 5 best eKKs will be counted towards the final grade.
  
  Attention should be paid to the fact that knowledge of the introductory course “EK aus ABWL: Finanzwirtschaft” is obligatory. This means, in particular, that material from the EK may be tested as part of the eKKs.

- The lectures are also accompanied by 3 online “Applied Portfolio Management”–exercises (ePFM). Each ePFM is expected to be completed within a period of 2 weeks.

  ePFMs are based on historic data, which can be downloaded from the Wharton Research Data Service (WRDS) at [http://wrds-web.wharton.upenn.edu](http://wrds-web.wharton.upenn.edu). You will get the login data by registering at this page. The required steps for this can be found in the VK-FIWI–WRDS Information sheet (can be found on the lecture web page). In the week of the first ePFM there will be a tutorial for the use of WRDS. The exact dates will be announced on the lecture web page.

- The total weights of the eKKs and the ePFMs towards the final grade is 15 %.

- There will be an online exam which will also be weighted with 15 % towards the final grade of the course.

- The written Midterm and Final examination are regular (i.e. not online) tests and will be weighted with 30 % (Midterm) and 40 % (Final examination) towards the final grade. Notice that ALL EXAMS of the English–speaking groups for this course will ONLY be available in English.
• The Final grade will be calculated as the weighted average of the results in the eKKS/ePFMs, the Online examination, and the written Midterm and Final examinations. The course will be completed successfully if the achieved points are above or equal to 50 % of the total attainable points. If \( x \) is the total result in %, the final grade will be

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\text{Final grade}(x) = \begin{cases} 
\text{sehr gut (1)} & \text{if } 87.50 \% \leq x \\
\text{gut (2)} & \text{if } 75.00 \% \leq x < 87.50 \% \\
\text{befriedigend (3)} & \text{if } 62.50 \% \leq x < 75.00 \% \\
\text{genügend (4)} & \text{if } 50.00 \% \leq x < 62.50 \% \\
\text{nicht genügend (5)} & \text{if } 0.00 \% \leq x < 50.00 \% 
\end{cases}
\]

Resources

• No resources, other than the technical equipment necessary to process the online examination, are allowed during the online tests (eKKS, ePFMs, online exam). Non-native English speakers are permitted the use of an uncommented dictionary. This will be verified through a statutory declaration.

• During the written exams (midterm and final), students are allowed to use a folder with written documents (e.g. class notes). All documents have to be filed in the folder and need to stay in the folder during the exam! In addition, each student is allowed the use of one standard text book, and of a non-programmable calculator (mobile phones are not allowed as calculators). Non-native English speakers are also allowed the use of an uncommented dictionary in text form (electronic dictionaries are not permitted).

• Explicitly not permitted are therefore

(a) the use of other resources not mentioned above, particularly programmable calculators, notebooks or other electronic resources,

(b) the help of other persons – direct or indirect and

(c) mobile phones (need to be turned off during the complete examination time).

Use of not permitted resources and the consequences

If not permitted resources are used during any of the partial examinations towards the final grade of the course (eKKS, ePFMs, online exam, midterm, final), the entire course will not be graded. In accordance with the guidelines for the “Verwendung unerlaubter Hilfsmittel”, it will, however, count as an unsuccessful attempt towards the total number of attempts possible for this course. I.e. cheating during one part of the examination will lead to failing the entire course.

Deregistration/Discontinuation

Deregistration from the course is possible during the first two weeks of the term (no explanation necessary). If students do not participate in the final exam, it is assumed that the course is abandoned due to an important reason. According to the regulations of the University of Vienna (study law) this implies that no grade will be given, and no attempt will be counted, for the entire course. In this case, students are expected to be able to provide proof of the important reason upon request. If a student is unable to take part in the final exam, but would like to receive a grade for the course (based on the results in the eKKS, ePFMs, and the online and midterm exam), it is her/his responsibility to inform the lecturer of this wish.

Consultation

Students are strongly encouraged to ask clarifying questions during the lectures. Prof. Loranth offers office hours by appointment. Dr. Mariathasan offers office hours on Wednesdays, between 9-10h (students should sign up for 20 minute slots on his homepage).
Exam and other dates

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Time</th>
<th>Location</th>
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<tbody>
<tr>
<td>Written Midterm</td>
<td>Fri., 14.11.2014</td>
<td>16.45-18.15 Uhr</td>
<td>HS 1, HS 14</td>
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<tr>
<td>Online examination</td>
<td>Fri., 5.12.2014</td>
<td>16.00–17.00 Uhr</td>
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<tr>
<td>Written Endterm</td>
<td>Tue., 18.12.2014</td>
<td>18.30-20.00 Uhr</td>
<td>HS 1, 4</td>
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<td>eKKS</td>
<td>start in the week of 27.10.2014 via the webpage <a href="http://etesting.univie.ac.at">http://etesting.univie.ac.at</a></td>
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<td>ePFMs</td>
<td>start in the week of 3.11.2014 via the webpage <a href="http://etesting.univie.ac.at">http://etesting.univie.ac.at</a> (login data will be announced during the lecture)</td>
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ePFM tutorials will take place in the week of 27.10.2014.

Examination topics

All of the material covered in class is relevant for the examination. This includes recommended textbook readings and references given during lectures.

Literature


