

Course Unit Description - (GEFAI)

(Financial Analysis and Investment Management)

(Mestrado em Engenharia Electrotécnica - Sistemas Eléctricos de Energia)

Academic year: 2009/2010

Subject group: Gestão

	Semestral	Optional
Mode of study	Diurno	Hours/Week T-Teórica
Year	1 ^o	PL-Prática-Laboratorial
Semester	1 ^o	OT-Orientação Tutorial
ECTS	7.5	

Objectives

To offer to the students the possibilities to acquire abilities, in order to understand and estimate financial variables, that can be in consideration in the process of investment taking.

To enable students with fundamental concepts of entrepreneurial finance, endowing them with abilities of understanding and searching, in order to achieve relevant information to the analysis of investment capital projects and operational management.

To endue students with abilities and reasoning power to understand the information of economic and financial character of the company, in order to support investment taking.

To graduate the students with knowledge about some methods of investments projects evaluation, having always in consideration that given data will be some level of uncertainty.

To instil into student's mind adequate manners to analyse specific cases and problems and to create appropriate methodologies to its scope

Course Contents

I-INTRODUCTION TO ENTERPRISE FINANCIAL MANAGEMENT (1WEEK)

- 1.1- Enterprise Flows
- 1.2- Financial Management contents
- 1.3- Financial Needs and Capital Sources

II- ENTERPRISE FINANCIAL ANALYSIS (4 WEEKS)

- 2.1- Study of financial situation and equilibrium
- 2.2- Financial flows supported Analysis
- 2.3- The study of capital profitability

III- BUDGETING PRINCIPLES (1 WEEK)

- 3.1- Foreknowledge and budgeting
- 3.2- The working up of budget; stages and methods to do it.
- 3.3- Keeping up and regular budget control verification

IV- ESSENCIALS OF FINANCIAL MATHEMATICS (2/3 WEEKS)

- 4.1- Basic concepts: Capital, time and interest
- 4.2- Operations with Capital: future value and present value
- 4.3- Interest rates: nominal and effective ones

V- INVESTMENTS ANALYSIS AND EVALUATION (6 WEEKS)

- 5.1- Project concept and classification
- 5.2- Cash-Flow concept and its determination
- 5.3- Investment project evaluation criteria: NPV; IRR; Payback Period and others.
- 5.4- Financing: owner's capital cost and market capital cost. Weighted average capital cost.

Recommended reading

Recommended books to the different syllabus chapters :

I-INTRODUCTION TO ENTERPRISE FINANCIAL MANAGEMENT

- a) – NABAIS, C., F. Nabais, Prática Financeira I – Análise Económica e Financeira, 2^a. Edição, LIDEL, 2005
- b) – NABAIS, C., F. Nabais, Prática Financeira II – Gestão Financeira, LIDEL, 2005
- c) - CARVALHO, C. N., G.M., Análise Económico Financeira de Empresas, 3^a. Edição, Universidade Católica Portuguesa, 2005

II- ENTERPRISE FINANCIAL ANALYSIS

- a)- CARRILHO, J.M. e outros, Elementos de Análise Financeira - Casos Práticos, Publisher Team, 2005
- b)– BREALEY, R.A.; S.C.Myers, Allen, Franklin; Principles of Corporate Finance, 8th Edition, McGraw- Hill, 2006

III- BUDGETING PRINCIPLES

- a)- PARENTEAU J., CONTROLO DE GESTÃO pelo MÉTODO ORÇAMENTAL Clássica Editora
- b)- SECRETT, Malcom, ORÇAMENTAR COM SUCESSO, Editorial Presença, 1994, Lisboa

IV- ESSENCIALS OF FINANCIAL MATHEMATICS

- a)- SANTOS, L.L.;R.L., Fundamentos e Aplicações do Cálculo Financeiro- Casos Práticos: Edições Sílabo, 2003
b)- MATIAS, R. , Cálculo Financeiro, Teoria e Prática, Escolar Editora, 2004

V- INVESTMENTS ANÁLISYS AND EVALUATION

- a)- BARROS, H., Análise de Projectos de Investimento, 4ª. Edição, Edições Sílabo, 2002
b)- BARROS, C., Decisões de Investimento e Financiamento de Projectos, 3ª. Edição, Edições Sílabo, 2000
c)- CEBOLA, A., Elaboração e Análise de Projectos de Investimento - Casos Práticos, Edições Sílabo, 2000
d)- PORFÍRIO, J.A., G. Couto, M. M. Lopes. Avaliação de Projectos – da Análise Tradicional às Opções Reais, Publisher Team, 2004

Above bibliography will be complemented with notes and exercises to be let out by the teacher during academic semester.

Teaching Methods

The Teaching/Apprenticeship of planned syllabus will take place through:

1)- Theoretical presentation

Introduction, interpretation and thematic framing of contents, in appropriate linking with illustration of small examples and resolution of elementary exercises clearly and explain the main concepts.

Linkage of explanation and exemplification with the classroom discussion of pupils experiences or of study cases developed to its purpose.

2)- Theoretic – Practical Application

To be developed supported in examples, exercises and application cases related to the exposed contents to be subjected to individual and collective into analysis and reflection of alternative hypothesis and their potentials effects experienced situations.

As much as possible, practical work will be based in project themes that have been begun and in action in other course.

Some working lessons will be based or supported under discussion of cases or exercises introduced by the pupils and in the comparison of eventual alternative or options possibilities and its consequences.

The study of practical cases and its results shall permit to confirm the apprenticeship progression and pupils knowledge strengthening.

We will try, as much as possible, to diversify apprenticeship technical frames, by using more computer resources and others appropriate tools.

3)- Individual's or in Group Practical Works

As a complement of theoretic- practical lessons, specific Works will be distributed to the pupils to be developed out of classroom, under well defined schedule guidelines to be presented and discussed in classroom.

That individual Works can be developed under themes proposed by the pupils and elaborated according to a standard-bearer provided by teacher or suggested and accepted by the teacher.

Assessment methods

At the end of semester,

Students with continuous assessment that haven't reached the minimum mark, will have an examination test at recurrent or special period composed by cover course program. This test will count with 50% to final mark.(they cannot be assessed at normal examination period)

Worker students and others exempted of continuous assessment, since they have required it, in accordance with specific assessment regulations, will be assessed by practical works and a final test by normal or recurrent examination period, that represent 50% of final mark.

Final mark of the course ($xNFREQ + yPE$)

($x + y$)

$x = 1,00$ Min NFREQ = 10 marks

$y = 0,00$ Min PE = 0 marks

or (if exempted of continuous assessment or if haven't reached minimum mark)

Final mark of the course ($zNFREQ + wPE$)

($z + w$)

$z = 0,50$ Min TP = 10 marks

$w = 0,50$ Min PE = 10 marks

	Name
Teacher responsible:	Rolando Barbosa Rodrigues (RBR)
Lecturer:	Rolando Barbosa Rodrigues (RBR) Antonio Celestino Areias Alves Taveira (AAT)