Financial Modelling

Module Coordinator	Prof. Dr. Peter N. Posch
Language of Instruction	German (Winter) / English (Summer)
Level	Bachelor Module: Finance II
Frequency	Winter + Summer term
Credits	7.5 ECTS
Time	225 h
Type	Lecture + Exercise
Requirements	-none- Recommended: Basic knowledge in finance
Type of Assessment	Written exam (computer-aided) covering the entire module (90 minutes)

Structure of the Module

1. Introduction to Excel and VBA
2. Bond Pricing
3. Yield curves, spot rates and bond stripping
4. Cost of Equity: CAPM
5. Portfolio Risk and Return
6. Random numbers
7. Value at Risk
8. Binomial Option Pricing
9. Investment strategies

Content of the Module

The lecture applies concepts of financial markets as well as financial and risk management. It explores the theory of these concepts and trains how to implement them in practice with real data sets.

Competences

The students learn basic concepts of financial management and how to implement them with real data sets. The use of standard software (Excel und VBA) is an essential part of this course. Problems that occur when applying the concepts on the data are discussed.