



Premaster Finance

Vrije Universiteit Amsterdam - School of Business and Economics - P Finance - 2017-2018

The pre-master programme consists of 30 EC (5 courses of 6 EC each) and runs for half a year (February till July). The pre-master programme is only to be taken by students with a suitable HBO degree. It is a bridge programme that aims to prepare HBO students for studying at a university. Therefore, it mostly consists of courses that provide training in academic reading, reasoning, and writing, research methodologies and statistics. Each master has its own pre-master programme. Upon successfully completing the pre-master programme you are entitled to enrol in the master programme.

[How to prepare for the Finance Premaster \(pdf\)](#)

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Premaster Finance

Vakken:

Naam	Periode	Credits	Code
Academic Paper	Periode 4+5+6	6.0	E_PM_AP
International Financial Management	Periode 5	6.0	E_IBK3_IFM
Investments	Periode 5	6.0	E_EBE3_INVES
Mathematics	Periode 4	6.0	E_PM_MATH
Statistics	Periode 4	6.0	E_PM_STATF

Academic Paper

Vakcode	E_PM_AP ()
Periode	Periode 4+5+6
Credits	6.0
Voertaal	Nederlands
Faculteit	School of Business and Economics
Coördinator	dr. J. Sieweke
Examinator	dr. J. Sieweke
Niveau	300

Doel vak

To gain experience in designing, executing, and reporting research

Inhoud vak

Academic Paper is the capstone course of the premaster programme. In your academic paper you report on a piece of research that you have conducted. The academic paper is written in English and in accordance with standards and conventions for academic writing. You will find further information about the academic paper in the course manual, which can be found in Canvas (please note that each programme has its own course manual).

Some premaster programmes will start their research already in period 4 or 5 while doing the method courses such as Qualitative Research Methods and Quantitative Research Methods. These two courses provide training in research design and data analysis. Please note, however, that your instructors for the methodology courses hold no responsibility for the supervision of or data collection for the academic paper – these responsibilities remain with your academic paper supervisor. Parallel to these courses you will meet with your supervisor to decide on a research design, and you will start collecting data so that you can devote period 6 mostly to writing up your results.

Academic Paper supervision

Finance: Norman Seeger (n.j.seeger@vu.nl)

Marketing: Ingmar Leijen (ingmar.leijen@vu.nl)

Entrepreneurship: Etienne Schraven (e.schraven@vu.nl)

BA – Digital Business and Innovation: Mohammad Rezazarde
(m.rezazademehrzi@vu.nl)

BA – Financial Management: Norman Seeger (n.j.seeger@vu.nl), Andre Dorsman
(a.b.dorsman@vu.nl) and Leonard Wolk (l.wolk@vu.nl)

BA – Human Resource Management: Evgenia Lysova (e.lysova@vu.nl)

BA – International Management: Astrid ter Wiel (a.a.ter.wiel@vu.nl)

BA – Leadership & Change Management: Omar Solinger (o.n.solinger@vu.nl)

BA – Management Consulting: Koen van Bommel (k.van.bommel@vu.nl)

BA – Strategy & Organisation: Astrid ter Wiel (a.a.ter.wiel@vu.nl)

BA – Transport and Supply Chain Management: Sander de Leeuw
(sander.de.leeuw@vu.nl)

Contact your supervisor for any questions or guidance. If that does not resolve your issues, then contact the overall pre-master programme coordinator Jost Sieweke (j.sieweke@vu.nl).

Onderwijsvorm

You will make individual appointments with your supervisor. Those of you who start their academic paper in period 4 or 5 will make appointments with their supervisor in that period. Please see the course manual for further information.

Toetsvorm

Each programme has its own manual for the academic paper. This manual contains information on such things as assessment criteria, assessment procedures, minimum requirements and expectations, structure of the paper, deadlines, and responsibilities of students and supervisors. This manual will be found in due course on the Academic Paper Canvas page.

In case your academic paper does not pass, you will have the opportunity to submit a revised version.

Literatuur

The readings involved in producing the academic paper are specific for each program, and mainly consist of journal articles to be gathered by the student. Individual supervisors may supply you with a key starting reference where needed.

Overige informatie

For this course you do not need to subscribe. You will be subscribed by the department.

International Financial Management

Vakcode	E_IBK3_IFM ()
Periode	Periode 5
Credits	6.0
Voertaal	Engels
Faculteit	School of Business and Economics
Coördinator	dr. K.L. Wolk
Examinator	dr. K.L. Wolk
Lesmethode(n)	Hoorcollege, Werkcollege, Instructiecollege
Niveau	300

Doel vak

The objective of the course is to acquaint students with the developments in international financial markets from a perspective of managerial decision making. The course is designed to provide future's financial managers with an understanding of the fundamental concepts and the tools necessary to be effective global managers. The aim is to provide students with an understanding of these concepts and techniques used in risk management. (Knowledge, Quantitative Skills) The students will develop skills in reading and understanding academic papers as well as critical thinking on economic events with a focus on the financial aspects of managerial decisions. (Research Skills, Bridging Theory and Practice) They are encouraged to improve analytical thinking abilities, to think beyond the boundaries of economics and finance theories. (Academic Skills, Broadening your Horizon)

Inhoud vak

During the course, we will mainly discuss the structure of financial markets (foreign exchange, fixed income and equity markets) and explore the issues that are encountered by multinational enterprises, with an emphasis on risk management. When having completed this course, students will have a clear understanding how financial markets work and how the multinational firm interacts with other market participants. In particular, students will:

- understand the development of the international monetary system and other financial institutions,
- be acquainted with different financial instruments used to manage foreign exchange rate risk (forwards, futures, options)
- be acquainted with the specifics of various financial markets (money, bond, equity)
- learn how to manage foreign exchange risk and interest risk in a multinational firm.

Onderwijsvorm

- Lectures
- Tutorials

Toetsvorm

Written exam – Individual assessment
(Interim) Assignment(s) – Individual assessment

Literatuur

1. Eun & Resnick: International Finance, Global Edition (ISBN: 9780077161613)
2. Additional articles and/or cases (announced at the start of the course)

Aanbevolen voorkennis

BK:
2.2 Finance; 3.4 Financial Modelling and Derivatives; 2.5 Finance II

IBA:
2.2 Finance; 2.5 Corporate Finance in Emerging Economies; 3.4 Financial Modelling and Derivatives

Investments

Vakcode	E_EBE3_INVES ()
Periode	Periode 5

Credits	6.0
Voertaal	Engels
Faculteit	School of Business and Economics
Coördinator	dr. T.C. Dyakov
Examinator	dr. T.C. Dyakov
Lesmethode(n)	Hoorcollege, Werkcollege
Niveau	300

Doel vak

This course offers a comprehensive introduction to the world of investments. The course is structured in four broad parts, covering fundamental areas of investments: Part 1. Portfolio theory and asset pricing; Part 2. Empirical evidence on security returns and portfolio management; Part 3. Fixed-income securities; Part 4. Options, futures and other derivatives. All four parts of the course are closely knitted to the learning goals of Academic Skills, Research Skills, Quantitative Skills, Knowledge and Bridging Theory and Practice.

By the end of the course you should be able to:

- compute fundamental risk-management techniques: Value-at-Risk and Expected Shortfall;
- apply the Markowitz portfolio selection model and construct an efficient frontier of risky assets;
- compare the Capital Asset Pricing Model (CAPM) against the Arbitrage Pricing Theory. Test the predictions of the CAPM;
- price fixed income securities and construct the Term Structure of Interest Rate;
- solve portfolio immunization problems by matching the duration of assets and liabilities;
- build a binomial tree and apply the Black-Scholes formula.

Inhoud vak

Investment decisions take a prominent role in everyday life. We can think of investment decisions taken by institutional investors (banks, insurance companies, pension funds, mutual funds), but also of financial decisions taken by individual households (additional pension savings, savings for children education, buying a house, etc.). Investment theory is also strongly linked to risk management. The importance of sound decision making in this field has been underlined by recent experiences on financial markets, law suits involving complex financial products for retail clients, etc. The key objective of this course is to provide understanding of the pricing of different asset classes and insights into the principles of investment analysis. A framework is developed that allows one to address a variety of (at first sight) completely different investment problems in a unified way.

Onderwijsvorm

Lectures.
Tutorials.

Toetsvorm

Written exam – individual assessment.
(Interim) Assignment(s) – group assessment.

Literatuur

Zvi Bodie, Alex Kane and Alan J. Marcus: Investments, McGraw Hill (10th Global Edition).

Additional readings might be announced on Canvas.

(Literature has been adjusted at 26-03-2018)

Vereiste voorkennis

Finance I or equivalent.

Aanbevolen voorkennis

The course relies on prior knowledge on linear algebra and statistics (QRM I, QRM II, and QRM III). Even though it offers a very brief introduction to the concepts and tools in this area that we will primarily use, students are strongly advised to review this material from relevant courses in the first two years of studies. I will further assume that students have a good understanding of the material covered in Finance I, Finance II, and Financial Markets and Institutions.

Students are also recommended to refresh their basic Excel and STATA skills, as weekly empirical assignments constitute an important part of the course.

Overige informatie

This course provides the knowledge basis for students aiming at an MSc in Finance and a career in the financial sector.

Mathematics

Vakcode	E_PM_MATH ()
Periode	Periode 4
Credits	6.0
Voertaal	Nederlands
Faculteit	School of Business and Economics
Coördinator	dr. L. Lu
Examinator	dr. L. Lu
Docent(en)	dr. S.A. Borovkova, dr. T. Artiga Gonzalez
Lesmethode(n)	Hoorcollege
Niveau	300

Doel vak

The course builds on the mathematics that has been offered at high school ("Wiskunde A"). After taking this course, the student

Knowledge:

- understands the concepts of differentiation, integration and optimization of functions of one and more variables.
- is able to work with limits, sequences and series.
- understands the key properties of matrices and their applications in finance and linear regression models.
- is familiar with the basics of stochastic vectors and (multivariate) probability density functions.

Quantitative Skills:

- can analytically optimize (constrained) functions, applying his knowledge about (partial) derivatives.
- is able to analyse linear regression models.

Inhoud vak

In this Pre-MSc course, students study the necessary knowledge and skills for quantitative analysis required throughout the MSc program. We cover a broad range of topics, such that you can easily handle the mathematical content encountered in the courses Investments, Asset Pricing, Derivatives and Empirical Finance.

You develop a thorough understanding of (partial) differentiation and optimization of functions with one and more variables. In addition, you understand the concept of limits, sequences and series, which are frequently used in time-series models. Furthermore, you get a primer of stochastic vectors and multivariate probability functions, which come back in the research methods related topics in the master program. Finally, you develop the required skills to work with matrices. This is the key stone for developing and solving a linear regression model, which is one of the most used models in finance.

Onderwijsvorm

The course consists of 18 sessions over a period of fourteen weeks. Each session takes 2 hours, and will be in particular instruction sessions with the purpose of practicing by doing exercises. In addition, the sessions will be brief lectures with the purpose of exposing the subject matter.

Toetsvorm

The assessment consists of an mid-term test and an exam. The mid-term test takes place at the end of block 4. Both the mid-term test and the exam are made up of open questions.

Literatuur

The course relies on the following book:

K. Sydsaeter & P. Hammond, Essential Mathematics for Economic Analysis, 4th Edition, Pearson, 2012, ISBN 978-0-273-76068-9. The VU-bookshop offers a special edition (ISBN 978-0-273-78762-4) with an access code for online training ("MyMathLab Global access card"). Using MyMathLab is not mandatory for this course, and it is not supported by the teachers.

Additional documents that are essential for this course will be available at the Canvas system.

Statistics

Vakcode	E_PM_STATF ()
Periode	Periode 4
Credits	6.0
Voertaal	Nederlands
Faculteit	School of Business and Economics
Coördinator	dr. J.M. Sneek
Examinator	dr. J.M. Sneek
Lesmethode(n)	Hoorcollege
Niveau	300