

**Code:** 81009

**Subject name:** Equity markets

### **GENERAL CHARACTERISTICS**

**ECTS:** 3

**Language/s:** English

**Type:** Obligatory

**Teacher:** Xavier Martí Rabassa

### **DESCRIPTION**

#### **Brief description and justification**

The primary goal of this course is to provide the basic knowledge in order to comprehend not only the functioning of the equity market, but the different methods commonly used in equity products valuation, since these are a crucial source of information when an analyst has to take investment decisions and manage a portfolio.

#### **Competencies**

As a consequence of the acquisition of the contents of the subject, the student will be able to:

CT2. Act with urgency and sense of urgency when important decisions are necessary to achieve the established objectives, assuming calculated risks when using the information necessary to reduce uncertainty. (Result Orientation).

CT4. Make investment and financing decisions perfectly sustained in financial theory and practice, with a high level of applicability to reality and adapting to the environment. (Decision making).

CE4. Optimize the management of portfolios and wealth, risk coverage and business financing decisions, applying the principles of analysis and valuation of financial products investment and financing. (Financial investment and financing operations).

## Prerequisites

Requirements legally established to access postgraduate programs:

Degrees in the field of social, scientific or technological sciences.

## Contents

1. Introduction to the stock market
  - a. Spain
  - b. Top foreign stock exchanges
2. Types of Stock Trading
  - a. Public Offer for Sale (OPV)
  - b. Public Offer for Acquisition (OPA)
  - c. Split
  - d. Capital increase and reduction
  - e. Credit Operations
3. Outlets
4. Contracting Systems
5. Fundamental analysis
  - a. General considerations
  - b. Key stock ratios: PER, Yield, P / CF
6. Methods of valuation of companies
  - a. Book value
  - b. Model of Gordon-Shapiro
  - c. Flow Discounts
7. Management of equity portfolios
  8. Technical analysis.
    - a. Chart Types
    - b. Chartist theory

- c. Supports and resistances
- d. Signs of Trend Change
- e. Dow Theory
- f. Elliot's Theory
- g. Indicators and oscillators

## METHODOLOGY

### Training activities:

Training activities	ECTS	Competencies
Lectures presenting concepts and procedures	1,3	CT2;CE4
Practical sessions (exercises, case resolution)	0,4	CT2;CE4
Assignments by Students	0,4	CT2;CE4
Seminars or tutorials	0,2	CT2;CE4
Personal study activities	0,6	CT2;CE4
Assessment sessions	0,1	CT2;CE4
Internship in Company		
<b>TOTAL</b>	<b>3</b>	

### Explanation of teaching methodology

There are two types of training activities:

#### 1.- Exposition and reading of theory on matter

It corresponds to the exposition of the subject by the teacher and to the study of the subject by the student. This activity seeks to know the theoretical fundamentals of the subject, as well as the main basic concepts in order to successfully manage equity products.

#### 2.- Practical exercises and case discussion

It corresponds to the preparation by the students of the practices corresponding to each theoretical theme. In this activity the transversal competences are developed mainly, while assimilating the knowledge that leads to the specific competences. This section takes into account the practical sessions, the seminars and tutorials that are developed during the course, and the sessions of continuous evaluation. A work is to be done individually and involves running a presentation, and it's intended to help the student to apply the new knowledge acquired.

## METHODS OF EVALUATION

### Methods of evaluation

Methods of evaluation	Weight	Competencies
Final exam	40%	CT2;CE4
Midterm exam	-	
Following up activities	10%	CT2;CE4
Homework and presentations	40%	CT2;CE4
Experimental work or fieldwork	-	
Projects	-	
Evaluation of the company or institution	-	
Participation	10%	CT2;CE4

### Learning outcomes

At the end of the course the student should be able to:

- Understand how the Spanish equity market works.
- Understand the functioning of the main equity products.
- Calculate stock-market ratios and company valuation ratios.

- Carry a comprehensive technical analysis out on any share of stock.

### **Evaluation**

The final grade of the course responds to criteria of continuous evaluation and will be the result of applying the following percentages: 40% for the grade obtained in the final exam, 40% comes from the individual preparation and presentation of a work, 10% for the delivery of class exercises and other follow-up activities and 10% for proactive participation in class discussions.

### **Evaluation of competencies**

In all of the evaluation activities of the subject, the cross-disciplinary competence of orientation to the result is evaluated, especially in the follow-up activities and in the works and presentations, in which the students have to solve real cases related to the stock market analysis and valuation of companies And make decisions. The specific competence of financial investment and financing operations is fundamentally evaluated through the final exam, in which students have to demonstrate that they have understood and know how to apply the theoretical concepts explained about equities.

### **Bibliography**

### **Bibliography**

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**PREVIOUS CHANGES**

**LAST REVISION**