

Professor	Prof. Dr. Bernhard Nietert
Contact	nietert@wiwi.uni-marburg.de
ECTS	6
Examination	Final exam (60 minutes)
Course description and learning objectives	The lecture gives an introduction into decision theory, investment appraisal, and finance. Moreover, it lays the foundation of risk measurement.
	Lecture is in German. However, tutorial and exam are in English
Course outline	<ul style="list-style-type: none"> 1 Introduction <ul style="list-style-type: none"> 1.1 Basics <ul style="list-style-type: none"> 1.1.1 Definitions 1.1.2 General approach of investment and financing evaluation 1.2 Basics of decision theory 1.3 Types of investments and financing <ul style="list-style-type: none"> 1.3.1 Investments 1.3.2 Financing 2 Investment evaluation under certainty <ul style="list-style-type: none"> 2.1 Determination of cash flows under certainty <ul style="list-style-type: none"> 2.1.1 Overview 2.1.2 Investments with contractually completely specified cash flows 2.1.3 Investments with not completely specified cash flows 2.2 A first approach to investment evaluation under certainty: problem and fundamentals 2.3 Classical investment evaluation under certainty <ul style="list-style-type: none"> 2.3.1 Decision problem underlying the investment evaluation 2.3.2 Implementation of investment evaluation 2.3.3 Problems/open issues with classical investment evaluation 2.4 Modern investment evaluation under certainty <ul style="list-style-type: none"> 2.4.1 Decision problem underlying the investment evaluation 2.4.2 Investment/funding opportunities and the „market interest

		<p>rate “ in modern investment analysis</p> <p>2.4.3 Implementation of investment evaluation</p> <p>3 Financing evaluation under certainty</p> <p>3.1 Introduction</p> <p>3.1.1 The problem of insolvency</p> <p>3.1.2 Types of funding problems</p> <p>3.2 Financing that is directly related to investment</p> <p>3.2.1 Classical financing evaluation</p> <p>3.2.2 Modern financing evaluation</p> <p>3.3 Financing that is not related to investment</p> <p>3.3.1 Classical financing evaluation</p> <p>3.3.2 Modern financing evaluation</p> <p>4 Risk</p> <p>4.1 Getting to know risk</p> <p>4.1.1 Specification of risk</p> <p>4.1.2 Attitudes toward risk</p> <p>4.1.3 Typical risk measures of the literature—decisions under risk</p> <p>4.2 Determination of cash flows under risk</p> <p>4.2.1 Problem and overview</p> <p>4.2.2 Implementation of cash flow forecasts</p> <p>4.3 Management of risk</p> <p>4.3.1 The importance of risk connection in the form of correlations</p> <p>4.3.2 Integrating risk connections into the management of risk</p>
Selected references	Refe-	<ul style="list-style-type: none"> – Lecture notes – Bamberg, G., Coenenberg, A. G. und Krapp, M. (2012): „Betriebswirtschaftliche Entscheidungslehre“, 15. Auflage, Verlag Vahlen, München 2012. – Jorion, Ph. (2007): „Value at Risk“, 3. Auflage, McGraw-Hill, New York et al. – Kruschwitz, L. (2009): „Investitionsrechnung“, 12. Auflage, Oldenbourg Verlag, München 2009. – Kruschwitz, L. und Husmann, S. (2010): „Finanzierung und Investition“, 6. Auflage, Oldenbourg Verlag, München, Wien 2010.