

COURSE OF STUDY Economics, Finance and Firm

ACADEMIC YEAR 23-34

ACADEMIC SUBJECT Economics of Financial Choices

General information	
Year of the course	2023
Academic calendar (starting and ending date)	<i>1 semester sept-dec.</i>
Credits (CFU/ETCS):	8
SSD	<i>Secs-P01</i>
Language	<i>Italian</i>
Mode of attendance	<i>Not compulsory</i>

Professor/ Lecturer	
Name and Surname	Giuseppe Coco
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Telephone	
Department and address	<i>DiEF, Largo Abbazia santa Scolastica</i>
Virtual room	
Office Hours (and modalities: e.g., by appointment, on line, etc.)	By appointments mon. 11.30-13.30 Available other times on mail appointment for online Off hours

Work schedule			
Hours			
Total	Lectures	Hands-on (laboratory, workshops, working groups, seminars, field trips)	Out-of-class study hours/ Self-study hours
200	56		144
CFU/ETCS			
8			

Learning Objectives	The aim of the course is to enable students to understand the imperfections, the shape of contracts and the functioning of intermediaries and financial markets. In the first part we will discuss the microeconomics bases for finance and the economic models of information imperfection, and how they lead to particular contracts and organizations. Later on, we will discuss the main classical results of financial theory (EMH, MM Theorems, CAPM, APT), and some basics of behavioural finance. Finally, we will discuss the relationship between finance and real markets and analyse the regulation of financial markets and banks.
Course prerequisites	Prerequisites for this course are and Advanced Microeconomics course and fundamentals of Game Theory and Basic Mathematics for economics.

Teaching strategie	<i>Lectures and for attending students on a voluntary basis thesis on special topic with presentation</i>
Expected learning outcomes in terms of	
Knowledge and understanding on:	Main theorems and theories on financial behaviour and

Applying knowledge and understanding on:	Shape of contracts in finance and motivation
Soft skills	Ability to tailor best financial arrangements and (for attending) present further studies in a systematic way both written and oral.
Syllabus	
Content knowledge	<p><u>First part: Imperfect Information</u> Materials: Nicita Scoppa, Economia del Contratti, Carocci Editore (capp. 1-5); Slides docente</p> <ul style="list-style-type: none"> - Moral hazard - Implicit Contracts - Adverse selection, screening - Rationing and collateral in the credit market <p>Second Part: Markets, Intermediaries, Instruments, Regulation Materials: Economics, Organization and Management, Prentice Hall, Chapt.s XIV, XV Elton, Gruber, Brown, Goetzman 'Teorie di portafoglio e analisi degli investimenti' Apogeo Capp. 16, 17 e 20</p> <ul style="list-style-type: none"> - Classical Financial theory - Financial structure <p>Materials: Nadotti- Porzio-Previati, Economia degli intermediari finanziari, Mcgrawhill (capp 1, 2, 10, 11)</p> <ul style="list-style-type: none"> - Theories and risks of intermediations; - EU Banking Union; - Regulation, supervision, governance;
Texts and readings	<ul style="list-style-type: none"> - Nicita Scoppa, Economia del Contratti, Carocci Editore (capp. 1-5); - Milgrom-Roberts, Economia, Organizzazione, Management, Il Mulino Capp. XIV e XV - Nadotti- Porzio-Previati, Economia degli intermediari finanziari, Mcgrawhill (capp 1,2 , 10, 11) - Elton, Gruber, Brown, Goetzman 'Teorie di portafoglio e analisi degli investimenti' Apogeo Capp. 16, 17 e 20
Notes, additional materials	<p>Attending students can deepen a topic in the field of financial crises or behavioural finance in an essay accounting for 1/2 of the final mark. Here a non-exhaustive list of material for the essay:</p> <ul style="list-style-type: none"> - Andrew Lo, Adaptive Markets , Princeton Un. Press - Tamin Bayoumi, 'Unfinished Business', Yale Un. Press - C. Kindleberger, 'Manias, Panics and Crashes' Wiley

	<ul style="list-style-type: none"> - D. Kahneman 'Thinking fast and slow', Penguin - Vincenzo D'Apice, Giovanni Ferri, 'L'instabilità finanziaria: dalla crisi asiatica ai mutui subprime' Carocci editore
Repository	

Assessment	
Assessment methods	<i>Final written examination and (for attending) group essay and presentation</i>
Assessment criteria	
Final exam and grading criteria	<i>Standard</i>
Further information	
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