
Testi del Syllabus

Resp. Did.	MEROLA FEDERICO	Matricola: 352792
Anno offerta:	2016/2017	
Insegnamento:	M141 - INTERNATIONAL FINANCE	
Corso di studio:	LM19M - MANAGEMENT	
Anno regolamento:	2015	
CFU:	6	
Settore:	SECS-P/09	
Tipo Attività:	C - Affine/Integrativa	
Anno corso:	2	
Periodo:	I Semestre	



Testi in inglese

Obiettivi Formativi Del Corso / Course Formative Objectives

The course will teach students about the mechanisms for planning and analysing foreign direct investments (FDIs), and focus on international finance techniques based on project financing (PF) for the construction of industrial plants and cross-border infrastructure.

A considerable portion of the course focuses on how FDIs in specific geographical areas are promoted by Export Credit Agencies (ECAs) and leading international financial institutions, such as the World Bank, regional development banks, and several EU bodies, such as the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and the European Investment Fund (EIF). The course will also explore the role of institutional investors and consider the financial instruments used for FDI projects, such as infrastructure investment vehicles, private equity and real estate funds. Specific supranational investment programmes, such as the so-called Juncker Plan, will also be extensively examined.

The syllabus includes a study of the sophisticated technical instruments and quantitative models used for the structuring of international investments, paying particular attention to: a) project structuring; b) the valuation of investments from the dual perspectives of lenders and industrial sponsors; c) financial modelling techniques and the formulation of valuation indices; d) risk analysis and risk mitigation/hedging.

The course will consolidate the students' theoretical knowledge and methodological capacities, and present them with several case studies through which they can apply the theories and methods to real-world challenges.

Prerequisiti / Prerequisites

Are recommended course focused on elements of finance, such as "Basic Corporate Finance" or "Mathematical Finance."

Contenuti Del Corso / Course Contents

The course will be articulated into four parts plus exercises, an outlook of Juncker Plan and case studies, as follows:

Part ONE: Techniques for the structuring of international financial transactions: the basic elements (definitions, the instruments used and the key players in the sector; the different types of investment/financing; securitization and financial markets; etc.).

Part TWO: Introduction to the main national, inter-regional, international and supranational players active in the fields of international finance and FDI-planning.
Part THREE: "Inside the project": the evaluation criteria used for investment decisions and risk analysis.
Part FOUR: The economic-financial model: financial structuring, the principal valuation and sensitivity-analysis indices.
Part FIVE:
• Outlook of Juncker Plan
• Case studies (the technical, operational, legal and financial contents of the course will equip students with the skills to make cogent appraisals of case studies that are based on actual projects that were carried out in national and international financial markets).

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 1 /
Extended Program And
Reference Reading
Material: Week 1**

PART ONE (1/3): Techniques for the structuring of international financial transactions: the basic elements (definitions, the instruments used and the key players in the sector; the different types of investment/financing; securitization operations, financial markets, etc.):
• Introduction to international finance for investments in real assets: Corporate and Project Finance.
• Definition of project financing and its place in international financial markets: the differences between "project" and "corporate", and critical issues connected with FDI.
• PF arrangements and their scope of application.
• The different types of PF and their correlation with export-support schemes and internationalization programmes.
Reference: reference book, slides and additional material.

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 2 /
Extended Program And
Reference Reading
Material: Week 2**

PART ONE (2/3): Techniques for the structuring of international financial transactions: the basic elements (definitions, the instruments used and the key players in the sector; the different types of investment/financing; securitization operations, financial markets, etc.):
• The basic prerequisites for structuring an investment abroad.
• The main players in the international investments in infrastructure.
• Basic documentation for PF transactions.
• Sources of funding for foreign direct investment projects.
Reference: reference book, slides and additional material.

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 3 /
Extended Program And
Reference Reading
Material: Week 3**

PART ONE (3/3): Techniques for the structuring of international financial transactions: the basic elements (definitions, the instruments used and the key players in the sector; the different types of investment/financing; securitization operations, financial markets, etc.):
• Exercises.
PART TWO (1/3): The main national, inter-regional, international and supranational players active in the fields of international finance and FDI projects:
• The key players involved in the international FDI projects.
Reference: slides and additional material.

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 4 /
Extended Program And
Reference Reading
Material: Week 4**

PART TWO (2/3): The main national, inter-regional, international and supranational players active in the fields of international finance and FDI projects:
• Industrial sponsors.
• Investment funds (infrastructure funds, real estate and private equity).
• Banks (and development banks).
• ECAs.
Reference: slides and additional material.

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 5 /
Extended Program And
Reference Reading
Material: Week 5**

PART TWO (3/3): The main national, inter-regional, international and supranational players active in the fields of international finance and FDI projects:
• Inter-regional, international and supranational financial institutions.
• Other players.
• Exercises.
Reference: slides and additional material.

**Programma Esteso E
Materiale Didattico Di
Riferimento: Settimana 6 /
Extended Program**

PART THREE (1/3): "Inside the project": the evaluation criteria used for investment decisions and risk analysis:
• Essential elements for the analysis and appraisal of FDIs based on PF.
• The perspective of the industrial sponsor.
• The perspective of the institutional investor.

And Reference Reading Material: Week 6	<ul style="list-style-type: none"> • The perspective of banks and financial institutions. Reference: reference book, slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 7 / Extended Program And Reference Reading Material: Week 7	PART THREE (2/3): "Inside the project": the evaluation criteria used for investment decisions and risk analysis: <ul style="list-style-type: none"> • International financial markets: Stock markets, bonds, securitization operations. • The fundamentals of risk analysis. • Risk hedging, mitigation and allocation: The Security Package. Reference: reference book, slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 8 / Extended Program And Reference Reading Material: Week 8	PART THREE (3/3): "Inside the project": the evaluation criteria used for investment decisions and risk analysis: <ul style="list-style-type: none"> • Exercises. PART FOUR (1/3): The economic-financial model: financial structuring, the chief valuation and sensitivity-analysis indices: <ul style="list-style-type: none"> • The project structure: commercial and legal relationships among various players. • The business plan and financing model. Reference: reference book, slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 9 / Extended Program And Reference Reading Material: Week 9	PART FOUR (2/3): The economic-financial model: financial structuring, the chief valuation and sensitivity-analysis indices: <ul style="list-style-type: none"> • The key financial parameters. • Financing modelling. • Determining the industrial cash flows. • Determining the financial structure. Reference: reference book, slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 10 / Extended Program And Reference Reading Material: Week 10	PART FOUR (3/3): The economic-financial model: financial structuring, the chief valuation and sensitivity-analysis indices: <ul style="list-style-type: none"> • Analysing key ratios. • Sensitivity-analyses. • Exercises. Reference: reference book, slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 11 / Extended Program And Reference Reading Material: Week 11	PART FIVE (1/2): Detailed study: The Juncker Plan Reference: slides and additional material.
Programma Esteso E Materiale Didattico Di Riferimento: Settimana 12 / Extended Program And Reference Reading Material: Week 12	PART FIVE (2/2): Case studies Reference: slides and additional material.
Testi Di Riferimento / Reference Books	Fist book: Project Finance in Theory and Practice, Second Edition: Designing, Structuring, and Financing Private and Public Projects (Stefano Gatti – 2012), or in alternative - Principles of Project Finance, 2nd Edition (E.Yescombe – 2013).
Metodologie Didattiche / Teaching Method	Lessons with slides; exercises; qualified testimonials; case studies.
Modalita' Di Verifica Dell'apprendimento / Assessment Method	Written exam
Criteri Per L'assegnazione Dell'elaborato Finale /	Motivation and active participation in the course with a satisfactory grade at least equal 27/30.

