

ADMISSION TEST
MSc in Finance
academic year 2018-19

Candidates may be required to sit for an admission test, aimed at verifying their skills and competencies.

Calendar

Candidates required to sit the tests can choose one of the following:

Thursday	May 10, 2018	at 11 am	(for all candidates)
Tuesday	July 3, 2018	at 2 pm	(for all candidates)
Wednesday	October 3, 2018	at 2 pm	(for all candidates)
Wednesday	November 11, 2018	at 11 am	(not for international candidates)
Wednesday	January 23, 2019	at 11 am	(not for international candidates)

In the meeting hall of the *Department of Business and Law* (DISAG), piazza S. Francesco, 7, Siena, first floor.

Committee

Proff. Giampaolo Gabbi, Costanza Consolandi (substitutes: proff. Nicola Dimitri, Claudio Pacati, Antonio Roma, Marcello Basili)

Mode

The test will consist of a written exam and/or an oral interview, covering three disciplinary areas: Macroeconomics, Financial Mathematics, and Financial Markets.

Topics and suggested textbooks

I – Macroeconomics (monetary and financial aspects)

The financial system: operations and institutions; the role of the Central bank; money and bond markets, interest rate determination; term-structure of interest rates; open market operations; money and monetary base; definition of monetary aggregates M1, M2, M3, money supply and demand; monetary expansions/contractions in the IS-LM model; the deposit multiplier.

Suggested textbooks:

Blanchard O., *Macroeconomics*, 7th Edition, Pearson, 2017.

Mishkin F. and Eakins S., *Financial Markets and Institutions*, 8th Edition, Pearson, 2009.

II – Financial Mathematics:

Basic quantities (factors, rates, yields), law of simple interest (linear law), law of compound interest (exponential law), annuities and amortisation; internal rate of return; term structure of interest rates (spot and forward); duration and interest rate risk; floating rate notes; interest rate swaps.

Suggested textbooks:

David G. Luenberger, *Investment Science*, 2nd Edition, Oxford University Press, 2013 (Ch. 1-4, 12 – up to 12.5, including).

G. Castellani G., De Felice M., Moriconi, F., *Manuale di Finanza vol. I (Tassi d'interesse. Mutui e obbligazioni)*, Il Mulino, 2005.

III – Financial Markets

Intermediation circuits and financial balances of economic operators; financial instruments traded in markets and their derivatives; pricing and valuation models for bonds, equities and their derivatives; construction of financial portfolios; performance measurements of portfolios.

Suggested textbooks:

Hull J. C., *Options, Futures, and Other Derivatives*, Pearson College Division, 9th Edition, 2014 (Ch. 1–13, 15, 19–20).

Caparelli F., *Economia del mercato mobiliare*, Milano, McGraw-Hill, 2004.

Fabrizi P. L., *L'economia del mercato mobiliare*, Milano, Egea, 2006.