CORSO DI LAUREA: **Business Management - Gestione Aziendale LM-77**

INSEGNAMENTO: **BEHAVIORAL FINANCE & NEUROFINANCE**

ECTS: **6**

YEAR RUNNING: **1 YEAR (NO ARTICULATION IN MODULES)**

COURSE YEAR: **Second (Second SEMESTER)**

TEACHERS NAME: **ELVIRA ANNA GRAZIANO**

EMAIL ADDRESSES: **e.graziano@unilink.it**

OFFICE HOURS: The undergraduate and student reception is scheduled every Wednesday from 16:00 to 17:00 in person, on the GotoMeeting or GoogleMeet platform, upon appointment confirmed by email.

LEARNING OUTCOMES OF THE COURSE:
The course aims to achieve the student the learning outcomes described in detail in the following.

Knowledge and Understanding
The course aims to provide knowledge and tools for understanding the models of finance according to the main cognitive-behavioral theories and for the evaluation of emotions and cognitive biases on a neural basis, on investment and savings behaviors of individuals and groups of individuals.

Applying knowledge and understanding
The student must be able to apply:
- knowledge on the topic of financial decisions to estimate the limits of traditional decision-making models and understand the reasons behind alternative decision-making models based on behavioral evidence;
- the tools and models typical of neuroscience for mapping investor decision-making processes.

Making judgments
The student must demonstrate that they are able to understand the impact of behavioral theories and neuroscience on portfolio management theories and practices and to emphasize how financial advice, financial education and supervisory policies can benefit from behavioral theories and neuroscience.

Communication skills
The student will have to demonstrate to be able to communicate in a clear and simple way using an appropriate vocabulary, the main fundamentals related to behavioral disciplines and neuroscience applied to the field of finance.

Learning skills
The student must be able to critically compare alternative explanations of the empirical evidence of the market with respect to neurofinance, developing his own analyzes and solutions during class discussions, creating an individual project work on a shared theme and collaborating in the laboratory in the deepening of a case study.
The teaching aims to make the student achieve the following learning outcomes.

PROGRAMMA DETTAGLIATO

Topic
Behavioural Finance & Neurofinance Definition
Behavioural Bias & Heuristics
Prospect theory
Regulators and Financial Advisory: a new behavioural model
Market sentiment indicators, Herding Behavior and Media Sentiment
Economic Brain
Neurofinance: methodologies and tools
Stimuli and Financial Decisions
Speculative bubbles in Neurofinance

ANY RECOMMENDED PREREQUISITES
None

HOW TO TAKE THE EXAM
Only students regularly booked for the test are admitted to the exam. The final mark of the test is expressed out of thirty.
Additional activities are foreseen during the development of the module (for example project work, business game, etc.) which, if passed positively, give the right to an additional score, to be added to the final grade of the oral exam.
For Attendants, the evaluation of the candidates will follow a sum of the mark obtained during the presentation of the Project Work with the oral exam.
For non-attending students, the candidates will be evaluated by an oral test on the topics related to the course program developed in the classroom.

TEACHING EVALUATION CRITERIA
- With reference to "knowledge and understanding", the final exam will assess the student's acquisition of the basic notions relating to the topics listed in the detailed teaching program.
- With reference to the "applying knowledge and understanding", the final exam will evaluate the student's ability to connect the different topics covered and the ability to solve financial questions.
- With reference to "communication skills", the final exam will evaluate, in addition to the contents of the answers, also the ability to appropriately evaluate the terms of the scientific language and to effectively present the topics studied.
- With reference to the ability to learn, the student must be able to independently deal with case studies and project work on BF&NF issues.

CRITERIA FOR AWARDING THE FINAL GRADE
The criteria for awarding the final grade are based on the assessment of learning, knowledge and understanding of the topics covered in the course, as well as the ability to apply the techniques acquired and to expose with an appropriate language what has been learned. The attribution of the final mark is based on an oral assessment of learning accompanied by a technical-qualitative evaluation of the project or group work, for attending students.

TEACHING MATERIALS

Students are required to complete the preparation for the exam by integrating the teaching materials discussed during the classroom lessons with the following compulsory books:

- **Baker K.H., Nofsinger J.R. (2010), Behavioral Finance: Investors, Corporations, and Markets, Wiley**
- **Graziano E. A. (2019), Newspapers vs Social Media: Who grabs the investors'attention?, Eurilink:** **https://www.ibs.it/newspapers-vs-social-media-who-libro-elvira-anna-graziano/e/9788885622623**
- **Peterson R. L. (2007), Inside the Investor's Brain: The Power of Mind Over Money, Wiley Trading.**
- **Douglas Brown (2014), Investor Behavior: The Psychology of Financial Planning and Investing, John Wiley & Sons, ISBN: 9781118727027**

TEACHERS' ADVICE

It is advisable to deepen the study by reading periodicals, journals, web documents, case studies and case histories, etc., related to risk management in order to be able, during the exam, to integrate the theoretical concepts learned with practical examples from the real world.