

FINANCE AS A PROFIT CENTER (3/3)

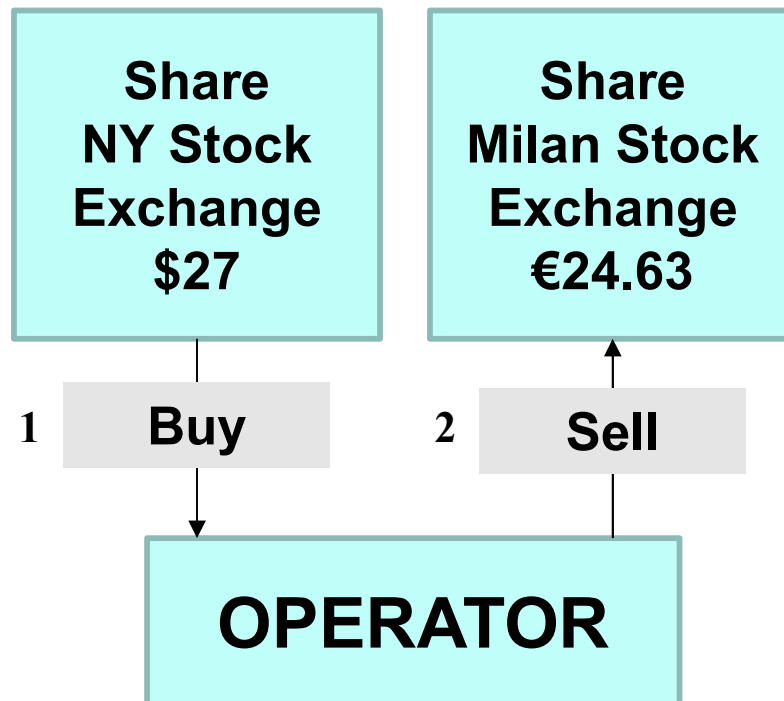
✓ Arbitrage



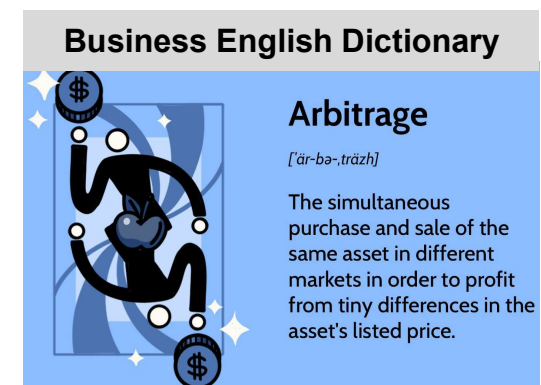
It consists of realizing a risk-free profit that arises from the differential in the price of share listed on two different markets.



Consiste nella realizzazione di un profitto privo di rischio che scaturisce dal differenziale nel prezzo di un titolo quotato su due diversi mercati.

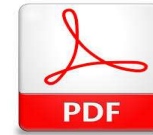


Current exchange rate :
 $€1 = \$1.1$

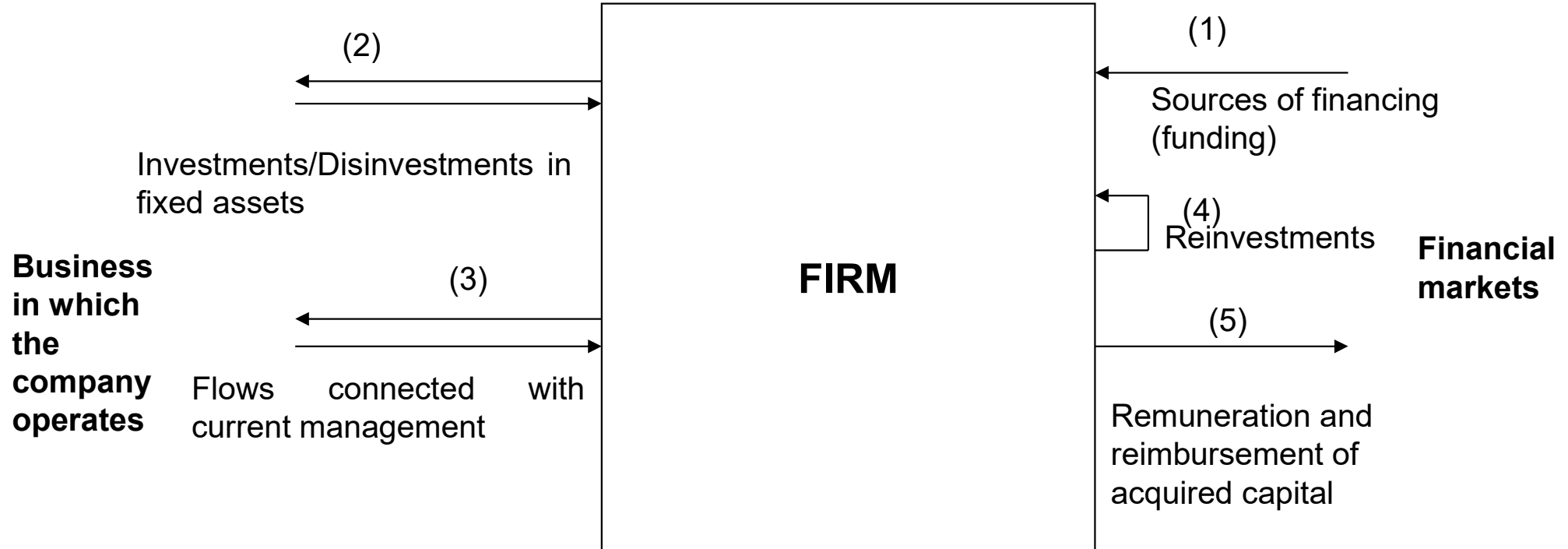


Profit :
 $€24.63 - €(27/1.1) = €0.08454$

Components of financial dynamics



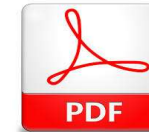
Teaching material taken from the handout "*Finalità e contenuti della Finanza Aziendale*" by Andrea Quintiliani



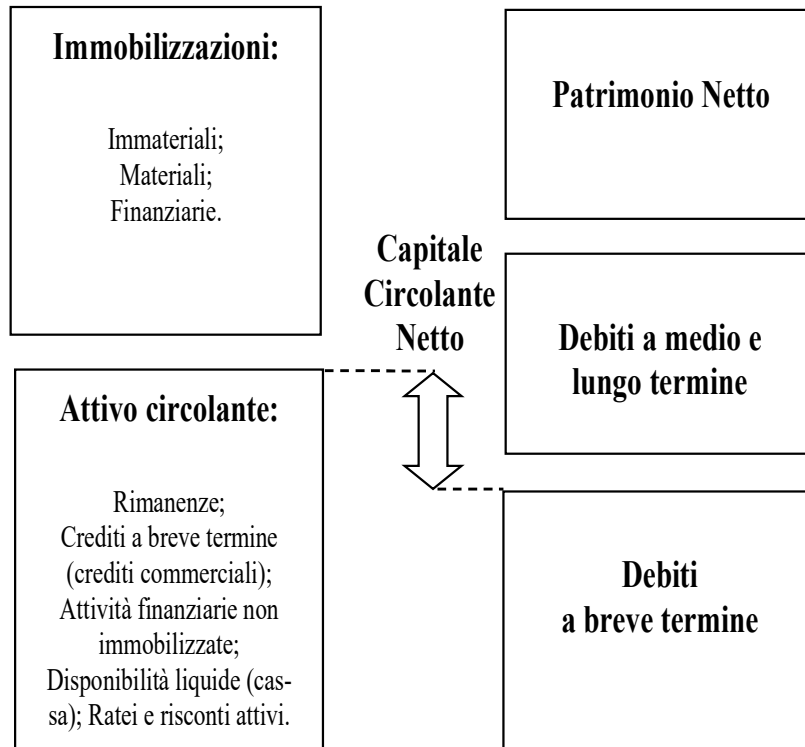
Graphic conceptualization of the Balance Sheet

  Impieghi

Fonti

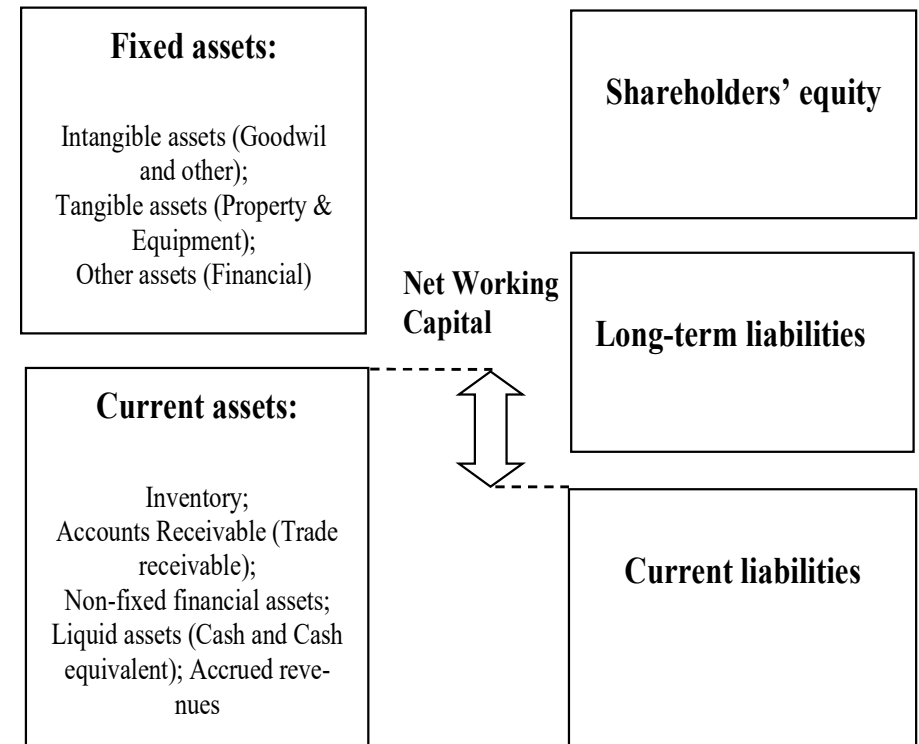


Teaching material taken from the handout "*Finalità e contenuti della Finanza Aziendale*" by Andrea Quintiliani



Uses

Sources



Business English Dictionary



Balance Sheet

['ba-lan(t)s 'ʃi:t]

A financial statement that reports a company's assets, liabilities, and shareholder equity at a specific point in time.

Selection criteria of uses and sources



<<Ability to produce wealth>>

<<Attitudine a produrre ricchezza>>

...accounting ROE or economic ROE (time and risk)

...ROE contabile o ROE economico (tempo e rischio)

<<Financial feasibility in the long term>>.

<<Fattibilità finanziaria nel lungo periodo>>

Effects of financial leverage and impacts on corporate ownership

Effetti della leva finanziaria e impatti sulla proprietà aziendale

<<Short-term financial equilibrium>>.

<<Equilibrio finanziario del breve periodo>>

Temporal profile of incoming and outgoing flows

Profilo temporale dei flussi in entrata e in uscita

Firm valuation criteria

(Conceptual map of the **BOOK VALUE** approach)

Educational material taken from "*Strumenti di analisi e pianificazione finanziaria per le piccole e medie imprese*" by Andrea Quintiliani, Aracne Editrice, 2009, Rome

