

# **ECONOMIC EFFICIENCY OF INVESTMENTS ( IV th year of study, VIII th semester)**

**Credit value (ECTS) 4**

## **Course category**

Domain (Imposed)

## **Course holder:**

**Ph. D. Lecturer Dan Donosa**

## **Discipline objectives (course and practical works)**

The course complements discipline specific knowledge of the future specialist investment concepts. These relate to the knowledge of the methodology for determining the optimal variants of investment projects and resource needs, the learning capacity of investment decision based on the analysis of variants of investment projects; knowledge of the selection and evaluation of project estimating risk investment alternatives. Transferring the knowledge and skills needed to assess the role of investment in the economy, financing sources and the risk posed by investments. Aiming at practical implementation of the concepts necessary to prepare future managers skills in the development of studies on the economic efficiency of investment and future objectives of the operation.

## **Contents (syllabus)**

<b>Course (chapters/subchapters)</b>
<b>The subject, history and importance of the subject</b>
Theoretical elements on investments 1. The concept of investment 2. Classification of investments
The concept of economic efficiency of investments 1. The allocation of resources between present and future 2. Saving and indifference curves 3. Interest rate steady. Keynesian explanation of economic efficiency
Economic efficiency of investments 1. Indicators of static investment 2. Duration of achievement 3. Expenses equivalent 4. Production Capacity 5. Term Recovery
Analysis of investment alternatives 1. The coefficient of economic efficiency of investments 2. The rate of return 3. The yield economic investment
The time factor and economic efficiency of investments 1. Time factor variable 2. Update the Investment calculations 3. Moments updating the investment calculations

Investment decision
1. Stages of investment decision
2. Variables investment decision
Selection and evaluation of investment projects

Practical works
Scope and method of discipline Investment efficiency
Static indicators of investment
Updating investment calculations (NPV)
The internal rate of return (IRR)
IRR global
Profitability index
Recovery period
Selecting the optimal investment variant

### Bibliography

1. Canada, J.R., White J.A. – *Capital investment decision analysis for management and engineering*, Prentice – Hall, 1980.
2. Stevens, G.T. Jr – *Economic and financial analysis of capital investments*, Wiley, 1979.
3. Staicu Fl., Pârvu D., Dimitriu M., Stoian M., Vasilescu I. – *Eficiența economică a investițiilor*, Editura Didactică și Pedagogică, București, 1995.
4. O'Saughnessy W.,- *La faisabilite de projet*, Les Editions SMG, Paris, 1992.
5. Românu I., Vasilescu I., - *Eficiența economică a investițiilor și a capitalului fix*, EDP, București, 1974.

### Evaluation

Evaluation form	Evaluation Methods	Percentage of the final grade
Exam	Oral examination	60%
Appreciation of the activity during the semester	Oral assessment during the semester, verification tests and final laboratory colloquium.	40%

### Contact

#### Ph. D. Lecturer Dan Donosa

Faculty of Agriculture - USAMV Iași  
 Aleea Mihail Sadoveanu nr. 3, Iași, 700490, Romania  
 telefon: 0040 232 407526, fax: 0040 232 219175  
 E-mail: donosd@uaiasi.ro