

COURSE DETAIL

FINANCIAL ECONOMICS

Country

France

Host Institution

Institut d'Etudes Politiques (Sciences Po)

Program(s)

Sciences Po Paris

UCEAP Course Level

Upper Division

UCEAP Subject Area(s)

Economics Business Administration

UCEAP Course Number

147

UCEAP Course Suffix**UCEAP Official Title**

FINANCIAL ECONOMICS

UCEAP Transcript Title

FINANCIAL ECONOMICS

UCEAP Quarter Units

4.50

UCEAP Semester Units

3.00

Course Description

This course provides an introduction to financial economics. The course starts with a brief discussion of the functions of financial systems and a description of existing financial assets, financial intermediaries, and markets. The first part of the course deals with the time value of money and its applications, notably the pricing of risk-free bonds and the capital budgeting decisions by firms. The second part then introduces the notions of risky assets, risky returns, and risk aversion, and highlights the benefits of diversification. It presents the foundations of portfolio theory, explains the standard models of equity risk premia, and highlights some of their important applications. The last part discusses the efficient market hypothesis and the contending theories of behavioral finance.

Language(s) of Instruction

English

Host Institution Course Number

AECO 27F13

Host Institution Course Title

FINANCIAL ECONOMICS

Host Institution Campus

Host Institution Faculty

Host Institution Degree

Lecture

Host Institution Department

Economics

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