

**UNIVERSITY OF DELHI
DELHI SCHOOL OF ECONOMICS
DEPARTMENT OF ECONOMICS**

Minutes of Meeting

Subject : B.A. (Hons) Economics – Sixth Semester (2014)
Course : 28 – Financial Economics
Date of Meeting : Friday, 13th December, 2013
Venue : Department of Economics, Delhi School of Economics,
University of Delhi
Chair : Dr. Uday Bhanu Sinha

Attended by:

1. Shilpi Saini, Kalindi College
2. Animesh Naskar, Hans Raj College
3. Pooja Verma – Shivaji College
4. Ashu Taru Deb, College of Vocational Studies
5. Arushi Kaushik, Hindu College
6. Neha Goel, Shyamlal College
7. Malabika Pal, Miranda House
8. Abhishek, St. Stephen's College
9. Awanish Kumar, Kamla Nehru College
10. Meera Malhan, Delhi College of Arts & Commerce

Course Outline

1. Investment Theory and Portfolio Analysis

a) Deterministic Cash-flow Streams 6- 8 lectures

David G Luenberger : Chapter 2 (excluding 2.6)

Chapter 3 (excluding 3.7)

Chapter 4 (4.1 to 4.4)

b) Single –period random cash flows 8- 10 lectures

David G Luenberger : Chapter 6.

c) CAPM

David G Luenberger : Chapter 7 (excluding 7.6) 5-7 lectures

2. Options and Derivatives

Introduction to derivative and options, forward and future contracts option and other derivatives.

Hull John C: Chapter 1 2 lectures

Forward and future prices, stock index future, and the use of future for hedging: Hull
John C: Chapter 2,3and 4.

Chapter 2 (excluding 2.9 and 2.10) 2 lectures

Chapter 3 (excluding 3.5, 3.6 and 3.7) 5 lectures

Chapter 4 (excluding 4.6) 5 lectures

Option market: call and put option, factors affecting option prices, put call parity, option trading strategies, binomial tree model ,risk neutral valuation: Chapter 7, 8,9,10

Chapter 7 (7.1,7.2,7.3,7.4 and 7.8) 3 lectures

Chapter 8 (till 8.4) 5 lectures

Chapter 9 8-10 lectures

Chapter 10 6 -7 lectures

3. Corporate Finance

Patterns of corporate finance: common stock, debt, preference, convertibility

Richard A. Brealey and Stewart C. Myres: Principal of corporate Finance

Chapter 4 3 lectures

Capital structure and the cost of capital, corporate debt and dividend policy, the Modigliani-Miller theorem.

Richard A. Brealey and Stewart C. Myres: Principal of corporate Finance

Chapter 4 6 lectures

