Overview

The valuation formulas used throughout the modern financial world are based on the economic theory of financial markets and general equilibrium. This course provides a treatment of the economic foundations of modern finance. We start with a discussion of how economic agents (should) make decisions when the economic environment is uncertain. Then, asset-pricing models are introduced, and we discuss how economic uncertainty can be dealt with using state-contingent securities, which in turn lead to efficient market outcomes when markets are complete. Further topics include option pricing, determination of firms' value and its relation to a firm's capital structure, and the theory of efficient portfolios. The tools and knowledge that students acquire in this course are particularly useful and sought after in the public and private finance sector.
Faculty
UNSW Business School

School
School of Economics

Study Level
Postgraduate

Offering Terms
Term 1, Term 2

Campus
Kensington

Indicative contact hours
4.5

Timetable
Visit timetable website for details
Conditions for Enrolment

Prerequisite: COMM5005 and (COMM5002 or ECON5103)
Course Outline

To access course outline, please visit:

ECON5106 Course Outline
Fees

Commonwealth Supported Students   $1395
Domestic Students   $4410
International Students $6030

DISCLAIMER
Please note that the University reserves the right to vary student fees in line with relevant legislation. This fee information is provided as a guide and more specific information about fees, including fee policy, can be found on the fee website.

For advice about fees for courses with a fee displayed as "Not Applicable", including some Work Experience and UNSW Canberra at ADFA courses, please contact the relevant Faculty.

Where a Commonwealth Supported Students fee is displayed, it does not guarantee such places are available.
Pre-2019 Handbook Editions

Access past handbook editions (2018 and prior)