**PARVATIBAI CHOWGULE COLLEGE OF ARTS & SCIENCE (AUTONOMOUS)**

**DEPARTMENT OF ECONOMICS**

**Financial Economics (Elective)**

**SEMETSER VI, TYBA/BSC**

**Course code: ECO-E-7**

**Credits: 4**

**Academic year 2020-21**

**Instructor: Mr. Ramu P. Pagi**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Lecture No.** | **Date**  | **Unit**  | **Subtopics** | **References** |
| **1** | **10/02/2021** | **Unit 1: Types of Financial Securities**  | Introduction to financial economics | Francis J C & R.W Taylor (1992), *Theory and Problems of* Investments, McGraw Hill, Schaum's Outline Series, Singapore |
| **2** | **11/02/2021** |  | types of financial markets their features |  |
| **3** | **12/02/2021** |  | Types of money market securities |  |
| **4** | **13/02/2021** |  | Types of money market securities |  |
| **5** | **17/02/2021** |  | Capital market securities |  |
| **6** | **20/02/2021** |  | common and preferred stock |  |
| **7** | **24/02/2021** |  | common and preferred stock |  |
| **8** | **25/02/2021** |  | Bonds: corporate, government and public sector bonds |  |
| **9** | **26/02/2021** |  | Bonds: corporate, government and public sector bonds |  |
| **10** | **27/02/2021** |  | Mutual funds |  |
| **11** | **03/03/2021** |  | Mutual funds |  |
| **12** | **04/03/2021** |  | Mutual funds |  |
| **13** | **05/03/2021** | **Unit 2:** **Valuation of** **Financial Securities** | Discount rates and the time value of money |  |
| **14** | **06/03/2021** |  | Discount rates and the time value of money |  |
| **15** | **10/03/2021** |  | Present value (PV) and net present value (NPV)  |  |
| **16** | **12/03/2021** |  | Present value (PV) and net present value (NPV)  |  |
| **17** | **13/03/2021** |  | Mechanics of NPV calculations |  |
| **18** | **17/03/2021** |  | Mechanics of NPV calculations |  |
| **19** | **18/03/2021** |  | Compound interest, annuity and perpetuity formulas |  |
| **20** | **19/03/2021** |  | Compound interest, annuity and perpetuity formulas |  |
| **21** | **20/03/2021** |  | Compound interest, annuity and perpetuity formulas |  |
| **22** | **24/03/2021** |  | Real vs. nominal cash flows |  |
| **23** | **25/03/2021** |  | Real vs. nominal cash flows |  |
| **24** | **26/03/2021** |  |  Fixed income markets |  |
| **25** | **27/03/2021** |  | Bond Valuation |  |
| **26** | **31/03/2021** |  | Discount bond and Coupon bond |  |
| **27** | **01/04/2021** |  | Discount bond and Coupon bond |  |
| **28** | **03/04/2021** |  | Numerical problems |  |
| **29** | **07/04/2021** |  | CA 1 |  |
| **30** | **08/04/2021** |  | Numerical problems |  |
| **31** | **09/04/2021** |  | Numerical problems |  |
| **32** | **10/04/2021** |  | Numerical problems |  |
| **33** | **15/04/2021** | **Unit 3: Return and Risk Analysis** | Investment and returns variance;  |  |
| **34** | **16/04/2021** |  | Interest rates, dividends, capital gains |  |
| **35** | **17/04/2021** |  | Time value of money |  |
| **36** | **21/04/2021** |  | Inflation and returns |  |
| **37** | **22/04/2021** |  | Measuring investment returns |  |
| **38** | **23/04/2021** |  | Risk and Risk factors |  |
| **39** | **24/04/2021** |  | Measuring investment risks |  |
| **40** | **28/04/2021** |  | Diversification |  |
| **41** | **29/04/2021** |  | Systematic and idiosyncratic risk |  |
| **42** | **30/04/2021** |  | Portfolio mean and variance |  |
| **43** | **5/05/2021** |  | Covariance and correlation of returns |  |
| **44** | **06/05/2021** |  | feasible combinations of mean and Portfolio optimization |  |
| **45** | **07/05/2021** |  | Efficient risk/return trade-offs |  |
| **46** | **08/05/2021** |  | Numerical problems |  |
| **47** | **12/05/2021** |  | Numerical problems |  |
| **48** | **13/05/2021** | **Unit 4: Financial Statement Analysis**  | Introduction to Financial Statements |  |
| **49** | **14/05/2021** |  | CA 2 |  |
| **50** | **15/05/2021** |  | Importance of Financial ratios |  |
| **51** | **19/05/2021** |  | Calculations and Interpretation of Liquidity ratios |  |
| **52** | **20/05/2021** |  | Leverage ratios |  |
| **53** | **21/05/2021** |  | Turnover ratios |  |
| **54** | **22/05/2021** |  | Profitability ratios |  |
| **55** | **26/05/2021** |  | Capital Gearing ratios: Limitations |  |
| **56** | **27/05/2021** |  | Numerical problems |  |
| **57** | **28/05/2021** |  | Numerical problems |  |
| **58** | **29/05/2021** |  | Numerical problems |  |
| **59** | **02/0/2020** |  | Revision |  |
| **60** | **03/06/2020** |  | Revision |  |