

**ECTS COURSE INFORMATION FORM**

School/Faculty/Institute	Faculty of Economics, Administrative and Social Sciences		
Program	B.A. in Economics	Required	

Course Code	ECON 402			
Course Title in English	Financial Economics			
Course Title in Turkish	Finansal İktisat			
Language of Instruction	English			
Type of Course	Lecture (Flipped Classroom)			
Level of Course	Undergraduate Advanced			
Semester	Spring			
Contact Hours per Week	Lecture: 3	Recitation: 0	Lab: 0	Other: 0
Estimated Student Workload	130 hours per semester.			
Number of Credits	5 ECTS			
Grading Mode	Standard Letter Grade			
Pre-requisites	ECON 204			
Expected Prior Knowledge	Prior knowledge of macroeconomics.			
Co-requisites	None			
Registration Restrictions	Only Undergraduate Students			
Overall Educational Objective	To learn to comprehend the global financial mechanisms.			
Course Description	This course provides a coverage of the principles and practical applications of financial economic theory. It is aimed to present the basic financial ideas through a strong grounding in Financial Economic theory. The theoretical framework analyzes the decisions by individuals and firm managers and also the interplay of these decisions on the prices of financial assets. These foundations are elaborated in various fields of finance - financial management, investment management, risk management, and asset and derivative pricing.			
Course Description in Turkish	Bu ders, finansal ekonomi teorisinin ilkelerini ve pratik uygulamalarını kapsamaktadır. Finansal iktisat teorisinde güçlü bir temel oluşturarak temel finansal fikirlerin sunulması amaçlanmaktadır. Bu teorik çerçevede, bireylerin ve firma yöneticilerinin kararlarını analiz edilir ve bu kararların finansal varlıkların fiyatları üzerindeki etkileşimi de analiz edilir. Bu kapsam bünyesinde, finansal yönetim, yatırım yönetimi, risk yönetimi, varlık ve türev fiyatlandırmanın çeşitli alanları incelenmektedir.			
Course Learning Outcomes and Competences	Upon successful completion of the course, the learner is expected to be able to: 1. analyze financial and investment decision using financial theoretical models; 2. make valuation of assets using asset pricing models; 3. apply risk management tools including VaR to derive risk management strategies; 4. use software (Excel/VBA) to solve complex financial models;			

Relation to Program Outcomes and Competences: N=None S=Supportive H=Highly Related

Program Outcomes and Competences	Level	Assessed by
	N/S/H	Exam, Project, HW, Lab, Presentation, etc.
1. Has a broad understanding of economics with a deep exposure to other social sciences and mathematics.	H	Exam, Case Study, Presentation
2. Demonstrates knowledge and skills in understanding the interactions of different areas of economics.	H	Exam, Case Study, Presentation
3. Displays a sound comprehension of microeconomic and macroeconomic theory.	S	Case Study, Presentation
4. Applies economic concepts to solve complex problems and enhance decision-making capability.	H	Exam, Case Study, Presentation
5. Uses quantitative techniques to analyze different economic systems.	H	Exam, Case Study, Presentation
6. Applies theoretical knowledge to analyze issues regarding Turkish and global economies.	H	Exam, Case Study, Presentation
7. Demonstrates proficiency in statistical tools and mainstream software programs to process and evaluate economic data.	H	Exam, Case Study, Presentation
8. Behaves according to scientific and ethical values at all stages of economic analysis: data collection, interpretation and dissemination of findings.	S	Case Study, Presentation
9. Uses written and spoken English effectively (at least CEFR B2 level) to exchange scientific information.	H	Exam, Case Study, Presentation
10. Exhibits individual and professional ethical behavior and social responsibility.	S	Case Study, Presentation
11. Displays learning skills necessary for further study with a high degree of autonomy	S	Case Study, Presentation

Prepared by and Date **Erdem Kilic, 04.01.2018**

Semester **Spring 2018-2019**

Name of Instructor **Associate Professor Dr. Erdem Kilic**

Course Contents	Week	Topic
	1.	Basic Financial Calculations
	2.	Calculating Cost of Capital
	3.	Financial Statement Modeling
	4.	Case Study I
	5.	Bank Valuation
	6.	Portfolio Models
	7.	Calculating Efficient Portfolios I
	8.	Calculating Efficient Portfolios II
	9.	Estimating Betas and Security Market Line
	10.	Case Study II
	11.	Value at Risk
	12.	Option Pricing Models I

	13.	Option Pricing Models II
	14.	Review
	15.	Final Examination Period
	16.	Final Examination Period
Required/Recommended Readings	Financial Modeling ISBN: 978-0-262-02628-4 Edition 3 Author: Simon Benninga Financial Economics, Fabozzi, Neave, Zhou, Wiley, 2012.	
Teaching Methods	Flipped classroom	
Homework and Projects	Case Study	
Laboratory Work	Laboratory Excel	
Computer Use	Laboratory Excel VBA	
Other Activities	None	
Assessment Methods	The course will be graded according to the following requirements. <ul style="list-style-type: none"> • 2 Case Studies and Presentation (20%) • Midterm Exam (30%) • Final Exam (50%) 	
Course Administration	Erdem Kilic – kilice@mef.edu.tr More detailed information about the course, like office hours, can be found in the blackboard. Attendance is required. Academic Dishonesty and Plagiarism: YOK Regulation	

ECTS Student Workload Estimation	Activity	No/Weeks	Hours			Calculation	Explanation
		No/Weeks per Semester (A)	Preparing for the Activity (B)	Spent in the Activity Itself (C)	Completing the Activity Requirements (D)		
	Lecture	14	2	3	1	84	A*(B+C+D)
	Lab etc.					0	
	Midterm(s)	1	10	2		12	A*(B+C+D)
	Assingment, Project, Presentation	2	8	1		18	A*(B+C+D)
	Final Examination	1	14	2		16	A*(B+C+D)
	Total Workload					130	
	Total Workload/25					5.2	
	ECTS					5	