

Veer Narmad South Gujarat University, Surat.

M.COM.- I

Finance Theory, Finance Instrument and Markets - Paper -I

(To Come in force from 2009-10)

Course Contents

Introduction, Risk and Risk Aversion, Capital allocation, CAPM, Aero Debreu pricing. Consumption Capital Pricing model, Financial Structure and Firm valuations in incompleter markets, Financial equilibrium with Differential Information, Basics of Capital Structure, option contract, Financial Instruments, Characteristics and analysis of bonds, futures and options, Swaps, Vanilla options, Simple Exotics, Term Structure of Interest Rates, Introduction to Markets: Structure, the money market, capital market, Bond market. Investment Companies, Foreign Exchange Market, Futures markets, commodities markets and their structure, the energy markets.

REFERENCES

1. Jean and John(2005}, *Intermediate Financial Theory*, Academic Press.
2. Marcia Cornett, Troy Adair, and John Nofsinger (2008), *Finance: Applications and Theory*, Tata Macgraw Hill.
3. Milne(2003), *Finance Theory and Asset Pricing*, Oxford University **Press**.
4. Reilly and Brown(2008), *Investment Analysis and Portfolio Management*, Cengage Learning.
5. Zvi Bodie, Kane, Marcus and Mohanty(2007), *Investments, Sixth Edition*, *The Mcgraw-Hill Companies*