

Professor Matt Pritsker

B01.2311 Foundations of Finance

The course is a rigorous, quantitative introduction to financial market structure, and financial asset valuation. The main topics of the course are arbitrage, portfolio selection, equilibrium asset pricing (CAPM), equity valuation models, and derivative pricing.

There is also a small section on project valuation. You are expected to understand valuation formulas and apply them to new problems. The appropriate tools necessary for solving these problems will be developed at each stage of the course. The models we will cover have immediate applications for real-world financial decisions. Every effort will be made to relate the course material to current financial news.