



School of Economics and Management

## NEKA41, Economics: Financial Economics: Level 1, 5 credits

*Nationalekonomi: Finansiell ekonomi - nivå 1, 5 högskolepoäng*

First Cycle / Grundnivå

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### Details of approval

The syllabus is an old version, approved by The Board of the Department of Economics on 2011-06-07 and was last revised on 2015-11-04. . The revised syllabus applied from 2015-11-04. , autumn semester 2016.

### General Information

This is an introductory course in economics. The course is optional within a number of undergraduate programs at Lund University.

*Language of instruction:* Swedish

Teaching is in Swedish.

*Main field of studies*

Economics

*Depth of study relative to the degree requirements*

G1N, First cycle, has only upper-secondary level entry requirements

### Learning outcomes

#### Knowledge and understanding

Students shall acquire a basic:

- knowledge of financial economics,
- understanding of the role of the financial system in the economy,
- understanding of the general function of financial markets,
- knowledge and understanding of simple financial risk measures.

#### Competence and skills

Students shall have the ability to independently:

- apply fundamental financial theory to real world problems,

- use models and concepts to price simple financial instruments,
- use elementary measures of financial risk,
- show a certain proficiency in arithmetic,
- identify problems and situations where they can apply the theories they have acquired,
- solve problems using the theories they have acquired,
- give an account of and discuss the knowledge they have acquired of financial economics.

### **Judgement and approach**

Students shall develop the ability to critically analyse common economic-financial issues and developments. Students shall also develop the ability to pursue further studies in the subject.

### **Course content**

The course starts with a description of the different roles of the financial system, followed by a survey of the most important financial markets and instruments including simple derivatives. Throughout the course special attention is given to the pricing of risk and risk management. The portfolio choice of a risk avert individual is thoroughly examined. The efficient market hypothesis and its role in making investment decisions is also discussed. Finally, corporate financing and dividend policy are discussed.

### **Course design**

1. Teaching: Tuition consists of lectures and supervised exercises.

### **Assessment**

1. Examination: Written exams takes place at the end of the course. There will be further opportunities for examination close to this date.
2. Limitations on the number of examination opportunities: –

The University views plagiarism very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

### **Grades**

Marking scale: Fail, E, D, C, B, A.

1. Grading: The official grading scale is A, B, C, D, E and Fail.
2. Weighting grades for different parts of the course: –
3. Grading scales for different parts of the course: –

## **Entry requirements**

General and courses corresponding to the following Swedish Upper Secondary School Programs: English 6, Mathematics 3b/3c and Social Studies 1b/1a1+1a2.

## **Further information**

1. Transitional regulations: This course replaces NEKB15 "Financial Economics – Level 1".
2. Limitations in the period of validity: –
3. Limitations: This course cannot be included in the same degree as either of the courses NEKB15 "Financial Economics – Level 1", NEK234 "Financial Economics – Introductory level 1–20", NEK105 "Financial Economics (15–17)" or NEKB13 "Financial Economics – Level 1".
4. Similar courses: The course has the same content as NEKA53 "Financial Economics – level 1" and the sub-course "Financial Economics" in NEKA12 "Economics: Level 1".
5. Limitations in renewed examination: –

## Subcourses in NEKA41, Economics: Financial Economics: Level 1

Applies from H11

1101 Economics: Financial Economics, 5,0 hp  
Grading scale: Fail, E, D, C, B, A