



## Introduction to Finance Spyros Spyrou (sspyrou@aueb.gr)

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### Course Description

This preparatory course introduces some of the most important issues in the theory and practice of modern financial economics. Topics include the time value of money, efficient capital markets, risk and return, an introduction to asset pricing models and valuation, fixed income security valuation, and an introduction to derivatives.

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### Course Objectives

The main objective of this course is to present and discuss, at an introductory level, the main issues, theories, and practices in modern financial economics.

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### Learning Outcomes

Upon completion of this course students will:

- Be able to understand concepts such as risk and return and understand how risk affects the valuation of assets in equilibrium
- Have an understanding of the fundamentals of equity securities
- Have an understanding of the fundamentals of fixed income securities

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### Learning Methods:

Lectures, Exercises

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### Thematic Areas

- **Thematic area 1: Risk & Return**  
Portfolio theory and asset pricing models, valuation techniques
- **Thematic Area 2: Fixed Income Security Valuation**  
Bond markets, Valuation, Yield Curves
- **Thematic area 3: The Efficient Market Hypothesis**  
The role of Information in securities pricing
- **Thematic area 4: The Balance Sheet**  
The Balance Sheet, the Statement of Cash Flows

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## **Evaluation and Assessment**

A final Written Exam (Pass/Fail)

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### **Indicative Textbooks – Sources**

#### **A. Textbooks**

Berk, J., De Martzo, P., (2014) “Corporate Finance” Pearson publications,  
ISBN 13: 978-0-13-299247-3

Brealey, R. Myers, S., Allen, F. (2019) “Principles of Corporate Finance”, MacGraw  
Hill Companies, Inc. ISBN-13 978-1260013900

Bodie, Z., Kane, A., Marcus, A. (2024). “Investments”. ISBN10: 1264412665 |  
ISBN13: 9781264412662

#### **B. Other**

C. Lectures Notes, Exercises (A full set of slides and excel files will be provided)