**Actsc 621 Financial Mathematics 2**

- Mean-Variance portfolio theory;
- Capital Asset Pricing Model,
- Arbitrage Pricing Theory,
- Efficient Markets Hypotheses;
- Capital structure and dividend policy

**Notes:** This covers around 50% of the material of CT8. It also covers the material for the SOA VEE-Corporate Finance.

**Textbook:** We intend to use a combination of *Corporate Finance*, by Ross, Westerfield and Jaffe, *Modern Portfolio Theory and Investment Analysis*, by Elton and Gruber and *Investment Science* by Luenberger. The level of rigour in these texts is lower than we require, so the texts will be supplemented by course notes.

**Contact Hours:** 36 lectures, 10 tutorials.

**Assessment:** 65% final exam (unseen); 15% midterm exam (unseen); 20% assignments.