Study of the financial system as part of the global economy, rather than only the financial world. Topics include cover bond Capital asset pricing model, arbitrage pricing theory, option pricing, the capital asset pricing model, option pricing, the social security, operation of security system, the exchanges, investment banks, securitization, mortgage market, derivatives, interest rate derivatives, hedge funds, collateral, default, financial crises, agency theory, and financial crises. Prerequisites: After introductory microeconomics.

**Semester offered:** Spring
**Undergrad Course Category:** Finance
**Prerequisite List:** Only intro micro as prerequisite

**Source URL:** [https://economics.yale.edu/courses/econ-251b-financial-theory](https://economics.yale.edu/courses/econ-251b-financial-theory)