



# Economic Foundations for Finance

**Lecturers:** Prof. Dr. Thorsten Hens, Prof. Dr. Helga Fehr-Duda

**Credits (ECTS):** 6.0

## Course contents:

- The course explains the basics of decision theory and general equilibrium theory which belong to the two main foundations for financial theory. Decision theory is needed for modeling investors' behavior in financial markets. General equilibrium theory is needed for asset pricing and valuation.

## Literature:

- Luenberger, D.: "Microeconomic Theory", McGraw-Hill, 1995.
- Mas Colell, Whinston, Green (1995): "Microeconomic Theory" Chapter 7-9