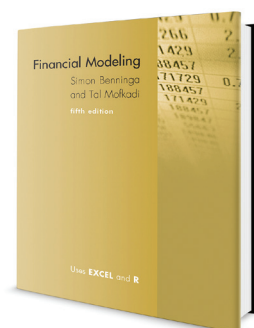


Financial Modeling, 5e

Simon Benninga and Tal Mofkadi



Fifth Edition Highlights:

- Chapters dealing with market financial data show “scalable” implementation in R and Python
- Revised material on valuation and updated to reflect most up to date common theory and practice
- Implementation of Value at Risk (VaR) methods
- Implementation of second-order and third-order Greeks for options
- Examples and implementation use up-to-date and relevant data
- Detailed Excel spreadsheets that explain basic and advanced models in the areas of corporate finance, portfolio management, options, and bonds
- Excel spreadsheets and R files freely available—no access codes needed

| 5e Chapter | Chapter title | 4e Chapter |
|------------------------------------|--|------------|
| Chapter 0 | Before all else | |
| Part I: Corporate Finance | | |
| Chapter 1 | Basic Financial Analysis | |
| Chapter 2 | Corporate Valuation Overview | |
| Chapter 3 | Calculating the Weighted Average Cost of Capital (WACC) | |
| Chapter 4 | Proforma Analysis and Valuation Based on the Discounted Cash Flow Approach | |
| Chapter 5* | Building a Pro Forma Model: The Case of Merck | |
| Chapter 6 | Financial Analysis of Leasing | Chapter 7 |
| Part II: Bonds | | |
| Chapter 7 | Bond's Duration | Chapter 20 |
| Chapter 8 | Modeling the Term Structure | Chapter 22 |
| Chapter 9 | Calculating Default-Adjusted Expected Bond Returns | Chapter 23 |
| Part III: Portfolio Theory | | |
| Chapter 10 | Portfolio Models—Introduction | Chapter 8 |
| Chapter 11 | Efficient Portfolios and the Efficient Frontier | Chapter 9 |
| Chapter 12 | Calculating the Variance-Covariance Matrix | Chapter 10 |
| Chapter 13 | Estimating Betas and the Security Market Line | Chapter 11 |
| Chapter 14* | Event Studies | |
| Chapter 15* | The Black-Litterman Approach to Portfolio Optimization | Chapter 13 |
| Part IV: Options | | |
| Chapter 16 | Introduction to Options | Chapter 15 |
| Chapter 17* | The Binomial Option Pricing Model | Chapter 16 |
| Chapter 18 | The Black-Scholes Model | Chapter 17 |
| Chapter 19* | Option Greeks | Chapter 18 |
| Chapter 20 | Real Options | Chapter 19 |
| Part V: Monte Carlo Methods | | |
| Chapter 21 | Generating and Using Random Numbers | Chapter 24 |
| Chapter 22 | An Introduction to Monte Carlo Methods | Chapter 25 |
| Chapter 23* | Simulating Stock Prices | Chapter 26 |
| Chapter 24 | Monte Carlo Simulations for Investments | Chapter 27 |
| Chapter 25* | Value at Risk (VaR) | Chapter 28 |
| Chapter 26 | Replicating Options and Option Strategies | Chapter 29 |
| Chapter 27* | Using Monte Carlo Methods for Option Pricing | Chapter 30 |
| Part VI: Technical | | |
| Chapter 28 | Data Tables | Chapter 31 |
| Chapter 29 | Matrices | Chapter 32 |
| Chapter 30 | Excel Functions | Chapter 33 |
| Chapter 31 | Array Functions | Chapter 34 |
| Chapter 32 | Some Excel Hints | Chapter 35 |
| Chapter 33 | Essentials of R Programming | NEW |

*Chapters marked with an asterisk include more updates/revisions than others • Former section on VBA has moved to an online appendix