

Lesson 2;

CONCEPT OF FINANCIAL MANAGEMENT

What is Finance

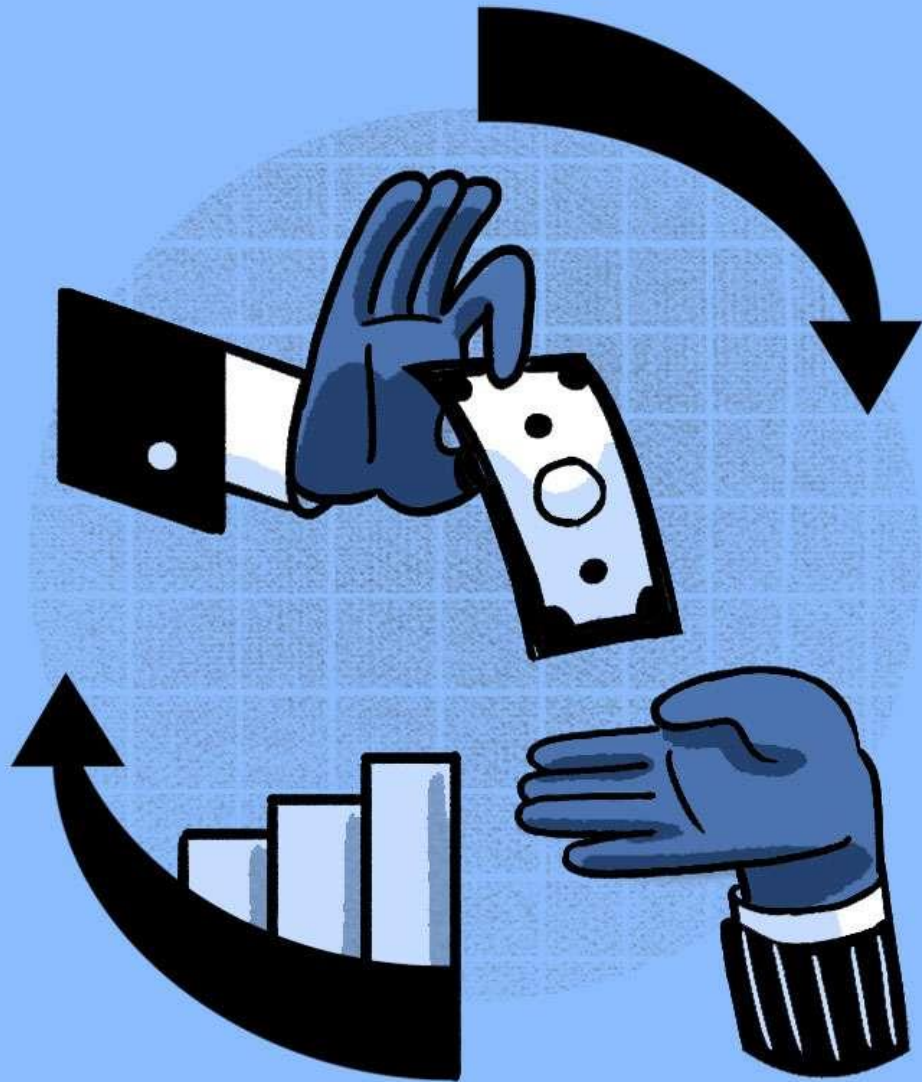
1. SUB-SET OF ECONOMICS AND IN ESSENCE IS ALSO TERMED AS APPLIED MICRO-ECONOMICS.
2. IMPORTANT BUSINESS ACTIVITY.
3. FUND MANAGEMENT SCIENCE.
4. FOCUSES IN WEALTH MAXIMIZATION GOAL/ENHANCING FIRM'S VALUE.
5. FOCUSES ON FUTURE DECISION BASED ON ACCOUNTING FINANCIAL STATEMENTS.
6. ALSO REFERRED AS CORPORATE FINANCE OR MANAGERIAL FINANCE.

Financial Management

Benefits of Financial Management



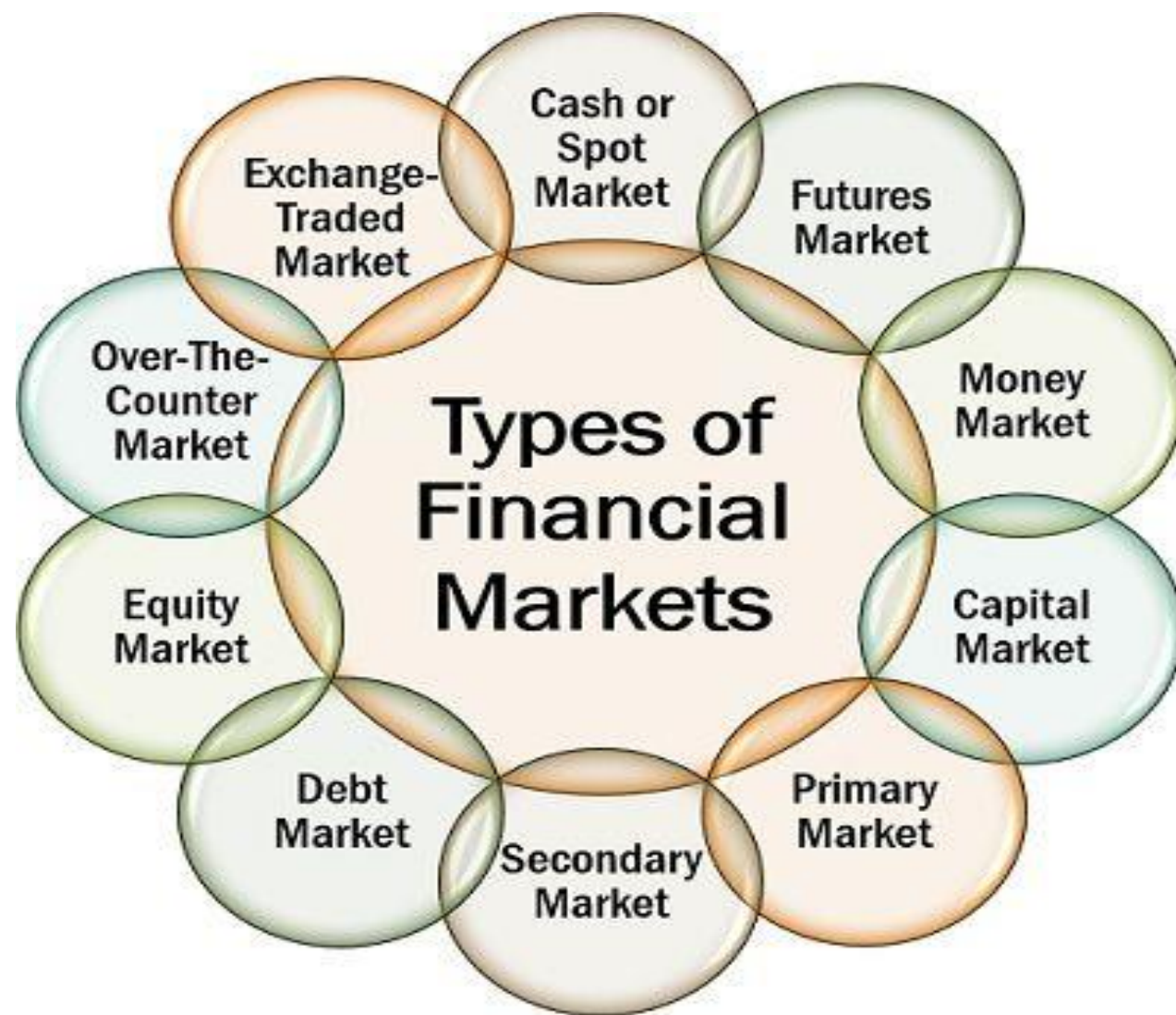
- Financial planning
- Financial control
- Informed decision-making
- Effective cost control
- Enhanced cash flow position
- Increased profitability
- Enhanced liquidity and solvency
- Improved financial performance



Financial Markets

[fə-'nan(t)-shəl 'mār-kəts]

Any marketplace where the trading of securities occurs, including the stock market, bond market, forex market, and derivatives market, among others.

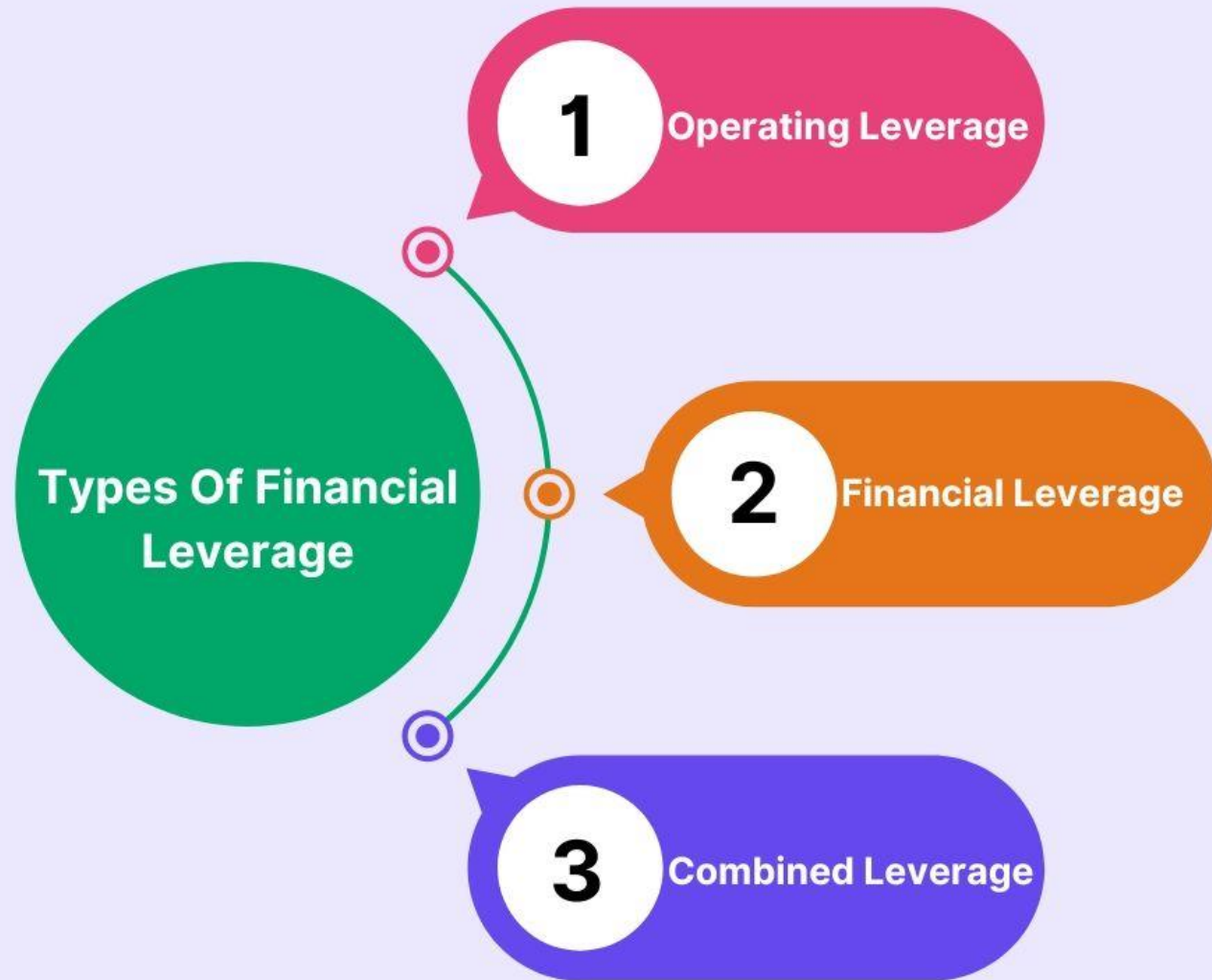




Financial Leverage

['le-və-rij]

Leverage is an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment.



Homework ; 2

1-What does it mean by financial leverage exactly ? explain .

- **2- Extract from the texts all terminologies**

And translated from english into Arabic **قم باستخراج كل المصطلحات وقم ترجمتها من**
(الإنجليزية الى العربية)

Send all your homework's to the following pdf or word

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