NFIN82, Economics: Empirical Finance, 7.5 credits
Nationalekonomi: Empirisk finansiell ekonomi, 7,5 högskolepoäng
Second Cycle / Avancerad nivå

Details of approval

The syllabus is an old version, approved by The Board of the Department of Economics on 2017-03-14 and was valid from 2017-03-14 , autumn semester 2017.

General Information

This is a single subject master course in economics belonging to the 'Financial Economics' specialisation.

Teaching is in English. (Teaching may be in Swedish if all registered students have a good knowledge of Swedish.)

Main field of studies	*Depth of study relative to the degree requirements*
Economics	A1N, Second cycle, has only first-cycle course/s as entry requirements

Learning outcomes

Knowledge and understanding
Students shall have developed a knowledge and understanding of empirical models in finance. More specifically, students shall have:

- a thorough understanding of the most important models in finance,
- a thorough understanding of econometric techniques applied in finance,
- an ability to understand and evaluate existing empirical work in finance.

Competence and skills
Students shall have the ability to independently:

- apply econometric methods to test financial models,
- employ the methods and theories they have learnt to new problems and to carry out their own empirical analyses,
- analytically handle quantitative empirical material and to use scientific methods

to analyse such material,
- identify interesting finance related problems in the real-world and to utilise adequate methods and theories to analyse these problems,
- present a clear and pedagogical report of their own and others' empirical analyses.

Judgement and approach

Students shall have developed:

- the ability to pursue further studies in finance and economics,
- the ability to independently search for and evaluate information from literature within finance,
- the ability to independently write an empirical essay at the master level.

Course content

The course begins with a brief discussion of estimation methods that can be used to analyse financial models. This is followed by a description of the time series properties of various financial data. The most important theoretical models in finance are then presented, accompanied by an explanation of the methods that are available for testing theoretical hypotheses. The course concentrates on the following issues: tests for information efficiency, market microstructure, event study, portfolio valuation, testing asset pricing models and fixed incomes. There are a number of computer exercises which give the students the practical skills necessary for solving econometric problems.

Course design

1. Teaching: Tuition consists of lectures and computer labs.

Assessment

1. Examination: Examination consists of a number of compulsory computer exercises, a home exam in the form of a short essay and a written exam that takes place at the end of the course. There will be further opportunities for examination close to this date. The final grade will be based on the written exam and the home exam. Other forms of examination may be used to a limited extent.

2. Limitations on the number of examination opportunities: –

The University views plagiarism and other academic dishonesty very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

Subcourses that are part of this course can be found in an appendix at the end of this document.

This is a translation of the course syllabus approved in Swedish

Grades

Marking scale: Fail, E, D, C, B, A.
1. Grading: Grade (Definition), Points or percentage out of maximum points, Characteristic
A (Excellent), 85–100, A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.
B (Very good), 75–84, A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.
C (Good), 65–74, The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
D (Satisfactory), 55–64, The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.
E (Sufficient), 50–54, The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.
U (Fail), 0–49, The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.
Students have to receive a grade of E or higher in order to pass a course.

2. Weighting grades from different parts of the course: The final grade on the course is determined by the results of two take home exams and a written exam.

3. Grading scales for different parts of the course: –

Entry requirements

Students who have studied a one-year master programme in finance and are admitted to a double degree master programme in finance between a non-Swedish university and the School of Economics and Management, Lund University are eligible for this course.

Further information

1. Transitional regulations: -

2. Limitations in the period of validity: –

3. Limitations: This course may not be included in the same degree as NEKN82 "Empirical Finance".

4. Similar courses: –

5. Limitations in renewed examination: –

Subcourses in NFIN82, Economics: Empirical Finance

Applies from H17

1701 Empirical Finance, 7,5 hp
        Grading scale: Fail, E, D, C, B, A