ECOM40004 Financial Econometrics

Credit Points:	12.50
Level:	4 (Undergraduate)
Dates & Locations:	2012, Parkville This subject commences in the following study period/s: Semester 2, Parkville - Taught on campus.
Time Commitment:	Contact Hours: Three hours of lectures per week Total Time Commitment: Not available
Prerequisites:	Admission into BH-COM or BH-ARTS (Economics) and either an Honours grade in **ECOM30001 Basic Econometrics (../../view/current/ECOM30001)** or:

Subject	Study Period Commencement:	Credit Points:
ECOM30002 Econometrics	Semester 1	12.50

Corequisites:	None
Recommended Background Knowledge:	Please refer to Prerequisites and Corequisites.
Non Allowed Subjects:	Students may not gain credit for both **ECOM40004 Financial Econometrics (../../view/current/ecom40004)** and **ECOM90011 Financial Econometrics (../../view/current/ecom90011)** .
Core Participation Requirements:	For the purposes of considering requests for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Students Experiencing Academic Disadvantage Policy, academic requirements for this subject are articulated in the Subject Description, Subject Objectives, Generic Skills and Assessment Requirements for this entry. The University is dedicated to provide support to those with special requirements. Further details on the disability support scheme can be found at the Disability Liaison Unit website: http://www.services.unimelb.edu.au/disability/
Coordinator:	Mr Tomasz Wozniak
Contact:	**tomasz.wozniak@unimelb.edu.au (mailto:tomasz.wozniak@unimelb.edu.au)**
Subject Overview:	This subject presents an econometric treatment of topics in finance. Normally the finance topics will include portfolio theory, capital asset pricing models, arbitrage pricing theory, efficient markets hypothesis, covered interest parity, term structure of interest rates, and option pricing models. The econometrics topics will include unit roots, cointegration, ARCH modelling, structural change, and regime-switching. The computer software used is *Eviews*.
Objectives:	# Describe the properties of econometric techniques (such as unit roots, cointegration, ARCH/GARCH and Kalman filters) used in financial analysis; # Apply econometric techniques to test hypothesis in financial economics (such as the efficient markets hypothesis, the theory of speculative efficiency, the capital asset pricing model); # Evaluate the robustness of results obtained from using econometric techniques on real world financial data; # Analyse results obtained from financial data and explain their implications for economic and financial theory.
Assessment:	A 2-hour end-of-semester examination (50%) and empirical assignments totalling not more than 3000 words (50%).
Prescribed Texts:	You will be advised of prescribed texts by your lecturer.

Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	# High level of development: written communication; problem solving; statistical reasoning; application of theory to practice; interpretation and analysis; critical thinking; synthesis of data and other information; evaluation of data and other information; use of computer software; accessing data and other information from a range of sources; receptiveness to alternative ideas. # Moderate level of development: collaborative learning; team work. # Some level of development: oral communication.
Notes:	Students may not gain credit for both **316-449 Financial Econometrics (../../ view/2010/316-449)** and **316-673 Financial Econometrics (../../view/2010/316-673)** .
Related Course(s):	Master of Finance Postgraduate Diploma in Finance
Related Majors/Minors/ Specialisations:	Economics