

ECOM90011 Financial Econometrics

Credit Points:	12.5									
Level:	9 (Graduate/Postgraduate)									
Dates & Locations:	2016, 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: Estimated total time commitment of 120 hours per semester									
Prerequisites:	Entry into the Master of Commerce (Finance) or completion of either of the following subjects: <table border="1" data-bbox="387 571 1485 777"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ECOM40006 Econometric Techniques</td> <td>Semester 1</td> <td>12.50</td> </tr> <tr> <td>ECOM90013 Econometric Techniques</td> <td>Semester 1</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ECOM40006 Econometric Techniques	Semester 1	12.50	ECOM90013 Econometric Techniques	Semester 1	12.50
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ECOM40006 Econometric Techniques	Semester 1	12.50								
ECOM90013 Econometric Techniques	Semester 1	12.50								
Corequisites:	None									
Recommended Background Knowledge:	None									
Non Allowed Subjects:	ECOM40004 Financial Econometrics <table border="1" data-bbox="387 1001 1485 1149"> <thead> <tr> <th>Subject</th> <th>Study Period Commencement:</th> <th>Credit Points:</th> </tr> </thead> <tbody> <tr> <td>ECOM40004 Financial Econometrics</td> <td>Semester 2</td> <td>12.50</td> </tr> </tbody> </table>	Subject	Study Period Commencement:	Credit Points:	ECOM40004 Financial Econometrics	Semester 2	12.50			
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ECOM40004 Financial Econometrics	Semester 2	12.50								
Core Participation Requirements:	<p><p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability</p></p>									
Coordinator:	Mr Tomasz Wozniak									
Contact:	tomasz.wozniak@unimelb.edu.au (mailto:tomasz.wozniak@unimelb.edu.au)									
Subject Overview:	Features of financial data require specific methods of analysis. Basic econometric tools are presented for the analysis of data such as stock exchange returns, exchange rates, bonds prices, etc. Applications of econometric models in finance include option pricing, extreme values and value at risk as well as financial assets portfolio selection. A special focus is put on modelling and forecasting of returns and volatility of financial assets. An up to date selection of time series econometric models and methods is presented. The computer software used is R.									
Learning Outcomes:	On successful completion of this subject students should be able to: <ul style="list-style-type: none"> # 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); 									

	<ul style="list-style-type: none"> # 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:	2-hour end-of-semester examination (50%); and 3000 word empirical assignment due in week 10 (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:	<p>On successful completion of this subject, students should have improved the following generic skills:</p> <ul style="list-style-type: none"> # Evaluation of ideas, views and evidence # Synthesis of ideas, views and evidence # Critical thinking # Accessing economic and other information # Summary and interpretation of information # Using computer programs # Statistical reasoning # Problem solving skills # Collaborative learning and teamwork # Written communication
Notes:	Students may not gain credit for both ECOM90011 Financial Econometrics and ECOM40004 Financial Econometrics.
Related Course(s):	<p>Doctor of Philosophy - Business and Economics Doctor of Philosophy - Business and Economics Master of Economics</p>
Related Majors/Minors/ Specialisations:	Master of Economics electives