

FNCE90041 Finance Theory - Investments

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: One 3-hour lecture per week Total Time Commitment: Estimated total time commitment of 120 hours per semester
Prerequisites:	Admission to the PhD program in Finance
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
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:	Prof Peter Bossaerts
Contact:	Email: peter.bossaerts@unimelb.edu.au (mailto:peter.bossaerts@unimelb.edu.au)
Subject Overview:	This subject provides an overview of capital market theory and evidence. Theoretical topics covered include asset pricing models, behavioural finance, general equilibrium models, models of the term structure of interest rates, models of the relation between forward and futures prices and option pricing models. Empirical topics covered include the time-series behaviour of returns, the impact of market microstructure on the behaviour of returns, event studies, tests of portfolio efficiency, tests of multifactor models and tests of intertemporal models.
Learning Outcomes:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Generate portfolios that are mean-variance efficient; # Apply no-arbitrage conditions to price contingent claims; # Identify the factors that are important in determining the links between forward prices and futures prices; # understand empirical research methods in asset pricing; # critically evaluate empirical asset pricing research work; # conduct empirical tests on asset pricing and portfolio models.
Assessment:	2000 word assignment due Weeks 4-6 (20%) 2-hour mid-semester examination (40%) 2-hour end-of-semester examination (40%)
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"> # Oral communication # Written communication # Problem solving # Statistical reasoning # Application of theory to practice # Interpretation & analysis # Critical thinking # Synthesis of data and other information # Evaluation of data and other information # Using computer software # Accessing data and other information from a range of sources
Related Course(s):	<p>Doctor of Philosophy - Business and Economics Doctor of Philosophy - Business and Economics</p>