



Master's in Economics and Finance

Topics in Finance

This course introduces empirical research in a broad range of important questions in finance.

The focus is empirical, and so are most of the papers that will be discussed. Importantly, it is not an econometrics course but rather a course in which econometric tools are used to answer substantive questions in finance.

It is a “topics” course, reflecting its instructors’ own interests, as well as those parts of the literature with which they would like to become more familiar!

Grading. Students will give (possibly group) presentations and submit written work on the papers presented. The presentations and written work will account for 15% of the final grade each. The final exam, which accounts the remaining 70% of the grade, will consists of two parts. One of them will involve replicating (part of) an empirical paper, while the other one will be a critical assessment of another paper.

Part I (Andrea Sy)

This part of the course is focused on corporate finance and financial intermediation, with some emphasis on their implications for firm activity.

1. Corporate capital structure
2. Entrepreneurial firms and SMEs
3. Empirical banking
4. Finance and firm dynamics

Structure of the course. In weeks 1-4, the instructor will use two of the sessions to introduce the literature, covering several key studies, while the third one will be devoted to student presentations or discussion of homework.

Reading list. There is no textbook. Links to the most relevant papers in the literature for each topic will be available through Moodle.

Part II (Enrique Sentana)

This part of the course is focused on asset pricing and financial risk management, with some emphasis on their macroeconomic implications.

5. Term structure models
6. Unusual derivatives
7. Portfolio management with big data
8. Performance evaluation
9. Credit ratings
10. Household finance

Structure of the course. In most weeks, the instructor will use two of the sessions to introduce the literature, covering several key studies, while the third one will be devoted to student presentations. Some adjustments will be made to accommodate the Master thesis presentations in week 8.

Reading list. There is no textbook. Links to the most relevant papers in the literature for each topic will be available through Moodle.