COURSE SYLLABUS

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YEAR COURSE OFFERED: 2021

SEMESTER COURSE OFFERED: Fall

DEPARTMENT: Finance

COURSE NUMBER: 4397

NAME OF COURSE: Financial Econometrics

NAME OF INSTRUCTOR: Raul Susmel

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The information contained in this class syllabus is subject to change without notice. Students are expected to be aware of any additional course policies presented by the instructor during the course.
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Learning Objectives

The goal of this class is to provide students with econometric tools and techniques to analyse and interpret financial data. Students will learn how to organize and work with financial data (cross-section, time series, and panel data) as well as analyzing finacial data sets using appropriate econometric techniques. The class also develops student's ability to estimate various models and perform various tests using R.

Major Assignments/Exams

First Midterm – September 30	15%
Second Midterm – November 23.	15%
Final - According to UH Schedule. Comprehensive.	30%
Homework	20%
Class Project	20%

Required Reading

Introductory Econometrics for Finance, 4th edition, by Chris Brooks. Cambridge University, 2019. The 4th Edition of the textbook has just been published. You can use the 3rd Edition of the textbook (2014) instead.

List of discussion/lecture topics

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PART 1.- Introduction: Review, Data and Returns (Brooks: 1-2)
PART 2.- OLS: Regression, Specification and Testing (Brooks: 3-5)
PART 3.- Time Series: ARMA models, Identification, Estimation and Forecasting (Brooks: 6)
PART 4.- Volatility Models (Brooks: 9)
PART 5.- Long-run Relationships in Finance (Brooks, Chapter 8)
PART 6. - Miscellaneous Topics – Time Permitting (Panel Data Models, Simulation Methods)