

PROJECT INSTRUCTIONS

RESEARCH METHODS IN FINANCE

Aim: investigate a new econometric technique/method that **you have not learned in class yet**, from the textbook and/or other reference materials.

Instructions:

- + Pairwork
- + Choose a topic from the list below. (See examples in the textbook, or in other reference documents.)

(Examples: Principal Component Analysis on page 245, Quantile Regression on page 237, Switching Model or State Space Model in chapter 10, Event Studies in chapter 14, Extreme Value Theory in chapter 14, Generalized Method of Moments in chapter 14, \ Least Absolute Shrinkage and Selection Operator LASSO...)

- + Register your topic via the provided link on Blackboard before **1/8/2022**
- + Investigate the methodology
- + Give a brief example how to run this method with R
- + Present your work in class during the reserve week **from 8 to 13 August** using ppt. slide for 10-15 minutes (about 15 slides) + submit slide
- + Submit updated slide + **project report + in Word (about 8-9 pages) + data file + result files** on Blackboard **before 21 August 2022.**

The outline of your report must include: (see chapter 14 for further guidance)

- + Team member names
- + Assigned task of each member
- + Objective of the project
- + Literature: present the development of the technique / method
- + Methodology: describe the econometrics tools
- + Results of an example with software and data.
- + Conclusion: comments and remarks, suggestions, recommendations...
- + References

Note: It should be your own work, and copying is not allowed (no plagiarism).