

**Financial Econometrics (Master 2)**  
**Nour Meddahi (Toulouse School of Economics)**

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**Lectures: Tuesday 9h30-12h30 (Room MC202).**

The main goal of the course is to familiarize students with the econometrics of financial models and financial data. During the twelve weeks of lectures, we will cover different topics. The assessment will be based on three home works (15% each) and a final exam (55%).

The topics that will be covered are:

1. Introduction to Financial Econometrics and Predictability of Asset Returns
2. Parametric Models of Volatility
3. Financial Risk Management: Value-at-Risk and Expected Shortfall
4. Generalized Method of Moments
5. The Bootstrap
6. The Econometrics of Stochastic Discount Factor Models with Application to Consumption Based Asset Pricing Models
7. Cross-Section Analysis of Asset Returns
8. Dynamic Term Structure of Interest Rates
9. Market Microstructure Models
10. Event-Study Analysis
11. An Econometric Analysis of a Corporate Finance Model

**References:**

- Campbell, J. Y., A. Lo and A. C. MacKinlay, **The Econometrics of Financial Markets**, Princeton University Press, 1997.
- Christoffersen, P. F., **Elements of Financial Risk Management**, Academic Press, 2003.
- Cochrane, J., **Asset Pricing**, Princeton University Press, 2001.

- Gouriéroux, C. and J. Jasiak, **Financial Econometrics: Problems, Models, and Methods**, Princeton University Press, 2001.
- Singleton, K. J., **Empirical Dynamic Asset Pricing: Model Specification and Econometric Assessment**, Princeton University Press, 2006.
- Taylor, S. J., **Asset Price Dynamics, Volatility, and Prediction**, Princeton University Press, 2005.
- Tsay, R. S., **Analysis of Financial Time Series**, Wiley, 2002.