

COURSE DETAIL

MARKET FINANCE

Country

France

Host Institution

Institut d'Etudes Politiques (Sciences Po)

Program(s)

Sciences Po Paris

UCEAP Course Level

Upper Division

UCEAP Subject Area(s)

Economics

UCEAP Course Number

109

UCEAP Course Suffix**UCEAP Official Title**

MARKET FINANCE

UCEAP Transcript Title

MARKET FINANCE

UCEAP Quarter Units

4.50

UCEAP Semester Units

3.00

Course Description

This course provides an introduction to Market Finance, with both an empirical and theoretical content. The objective is twofold: first, to give students an overview of how financial markets behave, and their main empirical features; second, to provide them with conceptual tools to understand these stylized facts via economic notions: the definition of risk, the quantity of risk, and the price of risk. The course starts with the introduction of these concepts. Via interactive games and experiments, students learn why the definition of risk, and how taking risk should be compensated for, may be complex, individual specific, and time varying. Various financial assets are covered in light of the definitions and concepts studied. In the second part of the course, the empirical evidence observed in financial markets over the past 100 years is studied. Students learn the main facts on financial market behaviors and how the evidence informs our understanding of investors' risk expectations and risk valuations. The pricing of SRI (Socially Responsible Investing) assets is discussed, as well as market behaviors since the beginning of the COVID-19 crisis.

Language(s) of Instruction

English

Host Institution Course Number

DECO 25A24

Host Institution Course Title

MARKET FINANCE

Host Institution Course Details

Host Institution Campus

Paris

Host Institution Faculty

Host Institution Degree

Host Institution Department

Economics

Course Last Reviewed

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