

FIN-701

Asset pricing

Bretscher Lorenzo

Cursus	Sem.	Type
Finance		Opt.

Language of teaching	English
Credits	3
Session	
Exam	Written
Workload	90h
Hours	58
Lecture	28
Exercises	30
Number of positions	

Frequency

Every year

Remark

If you would like to attend this course, please send an email to: edfi@epfl.ch to register

Summary

Its main objective is to rigorously develop the foundations of modern financial economics and asset pricing theory. While the focus of the course is theoretical, we will consider empirical evidence alongside. The course is designed for first-year PhD students in finance.

Content

This course provides an introduction to financial economics. Its main objective is to rigorously develop the foundations of modern financial economics and asset pricing theory. While the focus of the course is theoretical, we will consider empirical evidence alongside. The course is designed for first-year PhD students in finance, and assumes familiarity with basic microeconomics and macroeconomics, as well as mathematics and statistics.

Topic I: Choice under Uncertainty

Topic II: Preferences, risk aversion, portfolio choice

Topic III: State Prices, Arbitrage, and Stochastic Discount Factors

Topic IV: CAPM, APT, Linear Factor Models

Topic V: Excess Volatility and Return Predictability

Topic VI: Consumption Based Asset Pricing and Intertemporal Models

Topic VII: Recent Developments in Asset Pricing

Assessment methods

Written Exam

Resources**Moodle Link**

- <https://go.epfl.ch/FIN-701>