

## **Seminar on Empirical Asset Pricing**

Taught by **Dr. Yajun Xiao** (University of Technology Sydney)

### **Seminar description**

This seminar provides an opportunity to brace the asset pricing model in its empirical implication such as

- Derivation and empirical validation of asset pricing models
- Multi-factor models and cross-sectional patterns of average returns
- Connection between theoretical modelling consideration and empirical evidence

Topics include the consumption-based asset pricing model and intertemporal capital asset pricing model in the discrete time; the factor regression asset pricing models and their estimations and tests.

### **Seminar objectives**

Upon successful completion of this seminar students should be able to:

1. Understand the standard asset pricing models and their empirical application such as equity premium puzzle and portfolio performance and market efficiency hypothesis, etc.
2. Have a deeper understanding on financial phenomena and get trained to use the financial model to quantitatively analyse financial data
3. Able to work on a small 'theme' projects and present the results in a correct manner

### **Seminar structure**

The seminar contains three phrases

1. A mini introduction to asset pricing models (Week 2 in November)
2. Paper reading and data replication (in group)
3. Results presentation on assigned paper and data replication (Week 3 in December)

### **Seminar requirement**

The seminar requires students to have knowledge or course on

1. Introductory Econometrics and Principle of Finance
2. Programming skills on the commonly used software package Matlab or any other like

### **Seminar Grading**

The grade is given by presentation performance and essay on summarizing results. The course accounts for 4 ECTS and can be credited for the finance profile within the M.Sc. Economics.

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