

Title of the Modules: Financial Economics	Lecturer: Prof. Dr. Tomfort
---	---------------------------------------

Programme: M.Sc. International Finance

Learning Outcomes and Competences:

This course provides a profound knowledge of financial markets in a macro- and microeconomic context. Students learn the relevant processes of financial markets in regard to price and expectations. They gain a profound insight into the effect macroeconomic variables have on the financial markets. The course aims to closely combine theoretical knowledge with empirical facts. During the course, several relevant case studies will be analyzed.

Content of Course:

1. The interaction of economic cycles with financial markets
2. Effects of monetary policies on financial markets
3. Formation of prices and expectations in financial markets
4. The origin of financial market price bubbles
5. The role of market liquidity and risk management systems
6. Crisis and contagion effects in emerging markets
7. Important aspects of Behavioural Finance

Literature Recommendations:

1. Business Cycles: theory, history, indicators, and forecasting by Victor Zarnowitz, The University of Chicago Press, 1992
2. Investment Analysis and Portfolio Management by Frank K. Reilly & Keith C. Brown, 2005 Southwestern C.P
3. International Economic, A Survey of Behavioural Finance, Nicholas Barberis, Richard Thaler, NBER, Working Paper 9222, Sept. 2002
4. International Economics, Theory and Policy by Paul Krugman and Maurice Obstfeld, Addison Wesley, 2006