Financial Economics I (Seminar)

Master of Finance 1
Option “Law and Finance”
Autumn 2023

This 18-hour seminar is part of the Master 1 programme in Finance at the University of Angers. It is mandatory for students who prepare for the Master 2 programme in Law and Finance.

Time: variable
Room: variable
First session: 19 September 2023
Office hours: by appointment, write to Guido.Hulsmann@univ-angers.fr

Evaluation

a) Participation (40%)
b) 1500-word mid-term essay, due on 16 October 2023 (20%)
c) Two 30-minute tests, on October 19 and on November 27 (40%)

Contents and objectives

This is a reading seminar dealing with classic and present-day literature in financial economics. The main objective is to familiarise the students with the different economic approaches to study financial problems.

The field of “financial economics” covers a wide range of phenomena and problems, which have only two things in common: (1) that they somehow relate to the exchange of titles to future payments and (2) that they are analysed with the tools of economic analysis.

In the present seminar we will focus on two areas in particular. The first one is the relation between the real and the financial sector from an aggregate point of view. The second is the so-called Modern Theory of Finance, which is at heart a theory of financial-asset prices and is today applied in investments, portfolio management, corporate finance, and risk management. In both cases, we will study a selection of the foundational texts and neglect the secondary literature. Furthermore, we will concentrate on the substantive issues and avoid discussions of purely formal problems related to econometric and mathematical modelling.
Reading Schedule

I. Inter-temporal Exchange, Capital, Interest, and the Real Economy

II. Foundation of the “Modern Theory of Finance”
   (7) Optional readings: