



APPLIES TO ACADEMIC YEAR 2009/2010

EXC 2505 Empirical Methods in Finance

Programme

Bachelor in Business Administration (3. year)

Responsible for the course

Department

Term

According to study plan

ECTS Credits

6

Language of instruction

English

Introduction

Objective

The aim of the course is to provide students with an elementary but comprehensive introduction to econometrics. Special attention will be given to methods required for solving empirical issues in finance.

Prerequisites

EXC 2300 Basic Financial Management or equivalent.

Compulsory reading

Books:

Koop, Gary. 2006. Analysis of financial data. Chichester : John Wiley

Recommended reading

Other:

Any basic econometrics book

Course outline

1. Introduction, OLS
2. Regression analysis, assumptions
3. Hypothesis testing
4. Specification
5. Multicollinearity
6. Autocorrelation
7. Heteroscedasticity
8. Exercises, revision
9. Time series models
10. Simultaneous equations
11. Prediction
12. Event studies

Computer-based tools

Students are required to use computer-based tools such as Excel, SPSS and/or Eviews or the equivalent.

Course structure

The course is based on 36 teaching hours plus 6 hours of problem solving using statistical software.

Examination

The course is concluded with three exams which must be passed with an E or better. A three-hour written exam at the end of the course counts for 60% of the final grade while 2 written

assignments during the course count for the remaining 40%.

Exam code(s)

EXC 25051 - Process evaluation counts 100% of the final grade in EXC 2505 Empirical Methods in Finance, 6 credits.

Examination support materials

BI-approved exam calculator. Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary. <http://www.bi.edu/studenthandbook/examaids>

Re-sit examination

A re-sit is held at the next scheduled exam in the course. Students who are taking new exam must take the course all over including all parts of evaluation.

Additional information

Due to changes in our Bachelor Programmes from autumn 2009, there also will be changes in every single course.

This course will be taught for the last time autumn 2010. Re-sit exam will be offered every term from autumn 2011 even spring 2013.