SCHOOL OF MANAGEMENT

MN5320 – ADVANCED FINANCIAL ECONOMETRICS

MODULE TYPE/SEMESTER:  Core (20 credits), Semester 2

MODULE CO-ORDINATOR:  Dr Marcel Lukas

LECTURERS:  Dr Marcel Lukas and Christian Engels

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AIM:
This module is designed to further develop students’ econometric knowledge and abilities to implement statistical analysis in the area of banking and finance. Accordingly, students will be introduced to advanced empirical techniques, including models with endogenous regressors, dynamic panel data, event studies and limited dependent variable models.

LEARNING OUTCOMES:
Students will learn how to apply econometric techniques in practice using Stata. Moreover, they will acquire basic programming skills to conduct empirical research projects.

TEACHING FORMAT:
Ten weeks of teaching (two hours per week), supplemented by workshop & seminars.

TOPIC OUTLINE (Indicative):

• Part 1: Panel Data Techniques
  ▪ Topic 1: Classical Linear Model (CLM) Assumptions
  ▪ Topic 2: Multiple Regression Analysis with Qualitative Information
  ▪ Topic 3: Pooled Cross Sections Across Time
  ▪ Topic 4: Panel Data

• Part 2: Models with Endogenous Regressors
  ▪ Topic 5: Endogeneity
  ▪ Topic 6: Instrumental Variables Estimation
  ▪ Topic 7: Simultaneous Equations Model

• Part 3: Advanced Topics
  ▪ Topic 8: Event Studies
• Topic 9: Limited Dependent Variable Models

• Part 4: Workshop
  • Topic 10: Data Management in Stata

ASSESSMENT:
One class test: 20%
One group project: 30%
Final exam: 50%

READING LIST:
Main Textbooks:


Course descriptions apply to the period of dual-mode delivery in the academic year 2020/21. Organisation of courses may be subject to change without notice.