Standard Course Outline  
FIN 640 Seminar in Economic and Quantitative Analysis

I. General Information

Course Title: Seminar in Economic and Quantitative Analysis  
Course Number: FIN 640  
Prerequisites: Graduate business standing  
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Date Prepared: April 2016

II. Catalog Description
Microeconomic and macroeconomic analysis for financial managers. Application of quantitative analysis and statistical models to economic and financial data in the decision making process of firms and financial institutions. Letter grade only (A-F).

III. Recommended Textbook

2. Economics for Investment Decision Makers: Micro, Macro, and International Economics (CFA Institute Investment Series) by Christopher D. Piros and Jerald E. Pinto.

IV. Curriculum Justifications
The course is aligned with the CBA learning goals of critical thinking and quantitative and technical skills.

V. Course Objectives
Skill- and Content-specific Goals of this course are:

Critical Thinking:
1. Students should be able to analyze microeconomic and macroeconomic environments and recommend appropriate strategies to firms and financial institutions.
2. Students should be able to identify and demonstrate the use of suitable quantitative techniques and statistical inferences in the decision making process of firms and financial institutions.
**Quantitative and Technical Skills:**
1. Students should be able to identify relevant economic models and compute economic measures or forecasts that are helpful in strategic decisions of firms and financial institutions.
2. Students should be able to compute relevant quantitative measures and estimate relevant statistical models that help firms and financial institutions make sound business decisions.

**VI. Outline of Subject Matter**

This is a listing of the subject matter that must be covered in this course. It does not preclude other topics that are part of the Finance area or the depth of some topics. As this class is a seminar class, all the materials used are case studies for class participation and discussion as well as examples/problems from the chosen textbooks.

The topical outline for the course is the following:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topics</th>
<th>Readings</th>
<th>CFA Domains &amp; Sub-domains</th>
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</table>
| 1    | Syllabus and Course Requirements  
      Statistical Concepts and Market Returns  
      Probability | Level 1, Reading 7 (Q Ch 3)  
                     Level 1, Reading 8 (Q Ch 4) | II.B |
| 2    | Probability Distributions and Descriptive Statistics | Level 1, Reading 9 (Q Ch 5) | II.C |
| 3    | Sampling and Estimation | Level 1, Reading 10 (Q Ch 6) | II.D |
| 4    | Hypothesis Testing | Level 1, Reading 11 (Q Ch 7) | II.E |
| 5    | Correlation Analysis and Regression | Level 2, Reading 9 (Q Ch 8) | II.F |
| 6    | Multiple Regression | Level 2, Reading 10 (Q Ch 9) | II.F |
| 7    | Issues in Regression Analysis | Level 2, Reading 10 (Q Ch 9) | II.F |
| 8    | Mid-term Exam | | |
| 9    | Demand and Supply Analysis: Introduction | Level 1, Reading 13 (E Ch 1) | III.A |
| 10   | Demand and Supply Analysis: Consumer Demand | Level 1, Reading 14 (E Ch 2) | III.A |
| 11   | Demand and Supply Analysis: The Firm | Level 1, Reading 15 (E Ch 3) | III.B |
| 12   | The Firm and Market Structures | Level 1, Reading 16 (E Ch 4) | III.B |
| 13   | Aggregate Output, Prices, and Economic Growth | Level 1, Reading 17 (E Ch 5) | III.C |
| 14   | Understanding Business Cycles | Level 1, Reading 18 (E Ch 6) | III.D |
| 15   | Monetary and Fiscal Policy  
      Economic Growth and the Investment Decision | Level 1, Reading 19 (E Ch 7)  
                     Level 2, Reading 14 (E Ch 11) | III.I  
                     III.J |
| 16   | Final Exam | | |

Note: 1. *Quantitative Investment Analysis* (CFA Institute Investment Series) *(Notation: “Q” in the above table)*
Methods of Instruction

Method of instruction generally comprises a combination of lecture, class discussions, in-class exercises, case studies, homework assignments and research projects. When reading the book in preparation for class it is essential that the students take an active approach. This means that the students implement the examples discussed in the book using spreadsheet models and work through them as they read. The best-prepared student is often the one who comes to class with questions about how the concepts and methods can be applied. Finally, the students should expect to return to the book after class or while reviewing, in order to refine and consolidate their knowledge.

A recommendation for a pedagogical tool to apply the concepts in FIN 640 would be statistical software such as NCSS, RATS, SAS, SPSS and Stata. This learning tool provides the student with opportunities to apply and practice the skills and concepts that they have learned in the course. Another active learning approach is the use of HBR-level case discussion and written analysis. At this level of instruction, MSF students must have some type of pedagogical tools for active learning that are beyond the undergraduate level of lecture and multiple choice examinations.

Instructors in planning the exams, and other grading procedures, should adhere to the relevant University Policy on “Grades, Grading Procedures, and Final Assessments, Final Course.”

The textbooks for this course should be chosen in accordance with the University Policy on textbooks. There are many appropriate textbooks for this course; it is generally agreed that none of them is perfect. The following suggestion is based on the special nature of this core MBA course:
- Students will arrive at this course with extraordinary range of backgrounds; and therefore prior knowledge will be highly variable, however,
- Students will have a level of maturity that will enable them to look at a broader picture via more advanced cases, simulations, group projects and
- Any textbook used for this course must be a MBA-level or MS-level graduate textbook.
- Examinations must be essay-type and/or problem solving questions and avoid the use of multiple-choice questions.

VII. Instructional Policy Requirements

The students are expected to comply with the universally accepted norms of considerate and courteous behavior, and with all University rules and policies found in the current University Catalog, including the Withdrawal Policy and Policy on Cheating and Plagiarism. It will be assumed that the students will adhere to the tenets of academic integrity as articulated in Dean’s Letter on Academic Integrity throughout this course. Instructors may specify their
own policies with regard to plagiarism, withdrawal, absences, etc. as long as these policies are consistent with the above mentioned University policies.

It is expected that all students to attend classes regularly and to be responsible from all materials covered in class, regardless of their attendance. Make-up exams are strongly discouraged and will only be given with documented proof of an excused absence. Acceptability of the excuse will be determined based on the appropriateness of the documents. It is important that the student provides all documentation without special prompting from the instructor. The student should give earliest possible notification of an anticipated excused absence. The students refer to the specific university policy on these issues.

Occasionally adjustments in the course assignments become necessary. The students should be notified about changes, if any, and, whenever possible, they should be consulted in advance about any changes.

Students with Disabilities: Students with disabilities are responsible for notifying their instructor as early as possible of their needs for an accommodation of a verified disability. A student with a disability is urged to consult with Disabled Student Services as soon as possible in order to identify possible accommodations to enhance academic success.