

Summary Information

Module Code	7003LBSIF
Formal Module Title	Financial Economics
Owning School	Business and Management
Career	Postgraduate Taught
Credits	20
Academic level	FHEQ Level 7
Grading Schema	50

Teaching Responsibility

LJMU Schools involved in Delivery
Business and Management

Learning Methods

Learning Method Type	Hours
Lecture	33

Module Offering(s)

Display Name	Location	Start Month	Duration Number Duration Unit
JAN-MTP	MTP	January	12 Weeks

Aims and Outcomes

Aims	This module provides students with a critical appreciation of the full range of economic concepts, theories and models relating to financial markets, instruments, risks and decisions.
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After completing the module the student should be able to:

Learning Outcomes

Code	Number	Description
MLO1	1	Critically evaluate the strengths and weaknesses (limitations) of economists' theories of finance.
MLO2	2	Compare and contrast alternative theories and approaches to financial economics.
MLO3	3	Critically evaluate recent and relevant research findings.
MLO4	4	Develop financial models, and plan a methodology to test models.

Module Content

Outline Syllabus	Financial developments and the emergence of global finance. Economic concepts of consumption, saving and investment. Economists' methods of analysis and use of theories. Economics of savings and the demand and supply of liquidity. Time value of money, discounted cash flow and Quantity theory of money. Keynes' ideas on liquidity, interest rates and risk. Agency theory and Efficient Market Hypothesis. Comparing gearing to equity, the contribution of Modigliani and Miller. Risk, market pricing of risk, capital market line and CAPM. Testing a hypothesis drawn from financial economics. Political economy of finance, trade cycle, instability and inequality.
Module Overview	
Additional Information	This is a research driven module, responding to the need as to how economics impacts on financial markets and institutions.

Assessments

Assignment Category	Assessment Name	Weight	Exam/Test Length (hours)	Module Learning Outcome Mapping
Portfolio	In class Test	20	0	MLO1
Centralised Exam	Closed Book Exam	80	3	MLO3, MLO2, MLO4

Module Contacts

Module Leader

Contact Name	Applies to all offerings	Offerings
Linda Walsh	Yes	N/A

Partner Module Team

Contact Name	Applies to all offerings	Offerings
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