



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Dynamic Asset Pricing

2425-1-F1601M054-F1601M059M

Learning objectives

At the end of the course, students will be familiar with the main asset pricing models available in the literature. The focus will be on the pricing of risky cash flows through both theoretical and empirical models.

Contents

Traditional asset pricing models
Pricing of Fixed income assets
Pricing of Risky cash Flows
Asset pricing in general Equilibrium

Detailed program

Overview of Pricing Theories
Choices under risk
Measures of risk aversion and their interpretation
Risk Aversion and Investment Choices
Modern Portfolio Theory
Capital Asset Pricing Model
Arrow-Debreu Equilibrium and the CAPM
CCAPM
Arrow-Debreu Pricing: Arbitrage
Term Structure of Interest Rates
APT and Multifactor Models

Martingale Pricing

Prerequisites

Macroeconomics
Microeconomics
Maths
Statistics
Inference

Teaching methods

13 lectures, 2 hours each, in the classroom;
6 lectures, 2 hours each, via webex;
2 tutorials, 2 hours each in the classroom;

During lectures the teacher will engage with the students in an interactive way.

Assessment methods

Written examination with

1. 1 or 2 numerical exercises
2. 1 theory question

Textbooks and Reading Materials

Lectures slides
available at

www.andreacolciago.com

2. Book: Asset Pricing, John Cochrane

Semester

September-January

Teaching language

English

Sustainable Development Goals
