NIRMA UNIVERSITY
Institute of Management
Master of Business Administration (Full Time) Programme/
Integrated Bachelor of Business Administration-Master of Business Administration Programme/
Master of Business Administration (Family Business & Entrepreneurship) Programme

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Course Code	**MFT5SEEF06 MBM5SEEF06 MFB5SEEF06**
Course Title	**Econometrics for Finance**

Course Learning Outcomes (CLO):

At the end of the course, students will be able to:

1. Develop an understanding about the basic concepts and tools in Econometrics.
2. Evaluate the issues which arise in the formulation, validation and use of econometric models in Finance.
3. Interpret critically empirical results, including the vast array of diagnostic and test statistics often reported, and to come to a balanced view concerning the weight of the empirical results.
4. Construct and use suitable econometric models.

Syllabus	Teaching Hours
Unit I: Introduction to Econometrics • Introduction to Econometrics • Ordinary Least Square Method • Regression Analysis • Two Variable Model: Hypothesis Testing	10
Unit II: Multiple Regression Models • Multiple Regression Model: Hypothesis Testing • Functional Forms • Dummy Variables Regression Models • Model Selections: Criteria and Testing	9

Unit III: Econometrics Model for Finance • Multicollinearity • Heteroscedasticity • Autocorrelation • Time Series Econometrics: Basic Concepts • Event Study Analysis • Tests of Asset Pricing Models • Modelling volatility and correlation: ARCH & GARCH Models	11

Suggested Readings:

1. Greene, W.H., *Econometric Analysis*, Prentice-Hall, Inc.
2. Gujarati, D. N., & Sangeetha, G., *Basic Econometrics*, McGraw Hill, New Delhi.
3. Maddala, G.S., *Introduction to Econometrics*, John Wiley & Sons, Inc.
4. Ramanathan, R., *Introductory Econometrics: With Applications*, Thomson Asia.
5. Wooldridge, J. M., *Introductory Econometrics: A Modern Approach*, South-Western College Publishing.

w.e.f. Academic Year 2019-20 and onwards