

Economics 466Y

Financial Economics

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Fall, 2009

Readings

Securities Markets

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapters 1–4, pp. 1–114.

Baker, Dean (2001), “[Why Do We Avoid Financial-Transactions Taxes?](#),” *Challenge*, 44, 3 (May-June), pp. 90–96. HC101N533 

Asset-Market Equilibrium

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapter 13, pp. 401–441. (Ch. 12 in 6th ed.)

Bonds

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapters 10–11, pp. 289–367. (Chs. 9–10 in 6th ed.)

Efficient-Market Theory

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapters 8–9, pp. 231–288. (Chs. 8, 19 in 6th ed.)

Shiller, Robert J. (1981), “[Do Stock Prices Move Too Much to be Justified by Subsequent Changes in Dividends?](#),” *American Economic Review*, 71, 3 (June), pp. 421–436. HB1E26

Stock Crash

Galbraith, John Kenneth (1955), *The Great Crash, 1929*. Boston: Houghton Mifflin. HB3717 1929 G3 Chapter II, Vision and Boundless Hope and Optimism, pp. 5–28; Chapter IV, In Goldman, Sachs We Trust, pp. 48–70; Chapter V, The Twilight of Illusion, pp. 71–92; Chapter VI, The Crash, pp. 93–112; Chapter VII, Things Become More Serious, pp. 113–132.

Kindleberger, Charles P. (2000), *Manias, Panics, and Crashes: A History of Financial Crises*, fourth edition. New York: Wiley. HB3722K56 2000 Chapter 2, [Anatomy of a Typical Crisis](#), pp. 13–22; Chapter 3, [Speculative Manias](#), pp. 23–47; Chapter 12, [Conclusion: The Lessons of History](#), pp. 207–215.

Options

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapters 15–16, pp. 479–551. (Chs. 14–15 in 6th ed.)

Futures

Bodie, Zvi, Alex Kane, and Alan J. Marcus (2008), *Essentials of Investments*, seventh edition. Boston: McGraw-Hill Irwin. HG4521B563 2008. Chapter 17, pp. 552–586. (Ch. 16 in 6th ed.)

Roll, Richard (1984), “[Orange Juice and Weather](#),” *American Economic Review*, 74, 5 (December), pp. 861–880. HB1E26