Advanced Topics in Asset Pricing

Spring 2007

Course Syllabus

I. Learning in Asset Pricing Models (four lectures)

   Chernoff (1952), Anderson et al. (2003), Pascal Maenhaut (add reference), Bray and Kreps (1987), Wonham (1964), David (1997), Veronesi (2000), Segal (1990), Petersen et al. (2000), Maccheroni et al. (2006), Klibanoff et al. (2005), Hansen and Sargent (2006b), Hansen and Sargent (2006a), Epstein and Schneider (2006)

II. Intertemporal Composition of Risk (joint with John Heaton)

   Campbell and Shiller (1988), Beveridge and Nelson (1981), Blanchard and Quah (1989), Hansen and Scheinkman (2006), Hansen et al. (2006), Lettau and Wachter (add reference), Croce, Lettau and Ludvigson (add reference)

References

Anderson, Evan W., Lars Peter Hansen, and Thomas J. Sargent. 2003. A Quartet of Semigroups for Model Specification, Robustness, Prices of Risk, and Model Detection. *Journal of the European Economic Association* 1:69–123.

Beveridge, S. and C. R. Nelson. 1981. A New Approach to the Decomposition of Economic Time Series into Permanent and Transitory Components with Particular Attention to the Measurement of the 'Business Cycle'. *Journal of Monetary Economics* 7:151–174.

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Bray, Margaret and David M. Kreps. 1987. Rational Learning and Rational Expectations. In *Arrow and the Accent of Modern Economic Theory*, edited by G. R. Feiwel, 597–625. New York: New York University Press.

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Maccheroni, Fabio, Massimo Marinacci, and Aldo Rustinchini. 2006. Ambiguity Aversion, Robustness, and the Variational Representation of Preferences. *Econometrica* 74:1147–1498.

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Segal, Uzi. 1990. Two-Stage Lotteries Without the Reduction Axiom. *Econometrica* 58:349–377.

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