

## Fin 590

### Doctoral Seminar in Capital Markets

**Instructor:** Professor Jonathan Berk

**Office:** Mackenzie 242

**Phone:** 616-8592

**Email:** berk@u.washington.edu

**WWW:** <http://weber.u.washington.edu/~berk>

**Office Hours:** Tu 10:30-12:00 and by appointment

The primary purpose of this course is to provide a foundation for a successful research career in Finance. As such the course is demanding but also rewarding. Since this is a PhD level course, the formal requirements whose primary motivation is motivation will be dispensed with. Therefore, so long as *I* am convinced that students have mastered the material (which I will judge based on your performance on the homework) there will be no final exam (although the final homework might be quite extensive). I will hand out homework each week. The homework will be due the week after it is handed out. Your performance on the homework (as well as the final exam, if I decide that a final is necessary) will determine your final grade.

The scope of the course is deliberately narrow, the idea is quality not quantity. Without a solid foundation in the basics, advanced research is impossible.

**Prerequisites:** An introductory PhD level course in Micro-Economics.

**Required Texts:** *Foundations for Financial Economics* by Chi-fu Huang and Robert Litzenberger  
*Dynamic Asset Pricing Theory* by Darrell Duffie

**Optional Texts:** *Theory of Financial Decision Making* by Jonathan Ingersoll.  
*Prices in Financial Markets* by Michael Dothan

**Reading:** There will be no formal required readings, however you are expected to do the readings that correspond to the topic currently covered. You should use the optional texts as "backups", i.e. if you are confused after reading Huang and Litzenberger then consult one of them. They are excellent reference books. Given the excellent bibliographies in the required texts, I have not put together a reading list. My advice to avoid reading the original papers and instead spend your time going through the text and making sure you understand the material. Once you have mastered the material in this course, reading the original papers will be much easier.