



The Hebrew University of Jerusalem

Syllabus

Behavioral and Experimental Finance - 55713

Last update 27-08-2024

HU Credits: 3

Degree/Cycle: 2nd degree (Master)

Responsible Department: Business Administration

Academic year: 0

Semester: 1st Semester

Teaching Languages: Hebrew

Campus: Mt. Scopus

Course/Module Coordinator: Dr. Yevgeny Mugerman

Coordinator Email: mugi@huji.ac.il

Coordinator Office Hours: TBA

Teaching Staff:

Dr. Yevgeny Mugeran

Course/Module description:

Principles of Behavioral Finance

Course/Module aims:

In recent years we have a witness of a significant increase in academic research and behavioral experiments. There is an evidence that the classic assumptions of investors and markets realization don't fully describe the econometric findings. We will review the current literature on the subject and uses laboratory experiments to study this phenomena. The course will review and illustrate a number of behavioral finance experiments.

Learning outcomes - On successful completion of this module, students should be able to:

Students will become familiar with the principles of behavioral finance and gain an experience in writing a research project in the field

Attendance requirements(%):

80

Teaching arrangement and method of instruction: The course will include frontal lectures, project analysis, guest lectures, participating in experiments and presentations of students.

Course/Module Content:

Major issues:

- 1. Introduction: Information on the course*
- 2. Behavioral finance and the efficient market hypothesis*
- 3. Heuristics*
- 4. Biases*
- 5. Challenges to EMH*
- 6. Investor's behavior*
- 7. Prediction markets*
- 8. Auctions*

Required Reading:

Inefficient Markets by Andrei Shleifer, Oxford University Press

Additional Reading Material:

The Winner's Curse by Richard Thaler, Princeton University Press

The Wisdom of the Crowds by James Surowiecki, Anchor

Nudge by Richard Thaler, and Cass Sunstein, Yale University Press

Grading Scheme:

Essay / Project / Final Assignment / Home Exam / Referat 90 %

Active Participation / Team Assignment 10 %

Additional information:

This course is available for students in their final year. This course can be taken instead of a seminar.