

**UNIVERSITY OF NORTHERN BRITISH COLUMBIA
BUSINESS PROGRAM**

**COMM 429
Finance: Advanced Topics
(Human Mind and Behavioral Finance)
Fall 2013**

Professor:	Jing Chen	Telephone:	960-6480
Office:	10-4534, T&L	Class Time:	T 8:30-11:20
Office Hours:	T 1:00 – 3:00 (or by appoint.)	Class Location:	10-4520
Web site	http://web.unbc.ca/~chenj/teaching	Email:	chenj@unbc.ca

COURSE OBJECTIVES

We will explore the rapidly evolving field of Behavioral Finance and its great impact to our understanding of human mind. The field of finance, with its unparalleled abundance of accurate data, provides the unique opportunity to test many established and new hypotheses about human mind. We will introduce a new theory of mind that provides a unified understanding of many psychological patterns. This theory is especially helpful in providing a simple and coherent understanding of many stock return patterns and investor behaviors. This course is an interdisciplinary exploration of human behavior, information theory and financial investment.

TEACHING MATERIALS

Handouts will be distributed in classes

COURSE EVALUATION

Class Participation	10%
Mid-term	20%
Final Exam	30%
Project	40%
Total	100%

Each group of three persons will present a report on human mind or behavioural finance. Each **presentation** is forty minutes. Each group can pick your presentation time at the beginning of the term.

The **examinations** will cover all contents discussed in the course, including contents from student presentations. The style of the questions in the exams will be similar to those in the homework and the review.

Class participation will be mainly based upon the number of times you come up to present your homework solutions.

TENTATIVE COURSE OUTLINE:

Week	Dates	Topic	Notes
1			
2	Sept 10	Introduction	
		Exponential and logarithmic functions	
3	Sept 17	Theory of information	Homework Solution
4	Sept 24	Theory of learning	Homework Solution
5	Oct 1	Theory of judgment	Homework Solution
6	Oct 8		
7	Oct 15	Midterm	
9	Oct 22	Theory of investment	Homework Solution
10	Oct 29		
11	Nov 5	Theory of human psychology	Homework Solution
12	Nov 12	Short term patterns in financial markets	
13	Nov 19	Presentations	
14	Nov 26	Review	
	TBA	Final exam	

Please note that the above course outline is tentative. Although the major topic areas will be covered, the detail and extent of coverage will depend on the pace at which the class progresses.