Fisher College of Business
THE OHIO STATE UNIVERSITY

BUSFIN 8250: Advanced Asset Pricing
Autumn 2023

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Meeting time and place: MoWe, 1–2:30pm, Fisher Hall 700
Office hours: Open door policy

1 Overview

This course provides a broad introduction to modern asset pricing research.

2 Grading

Your grades will depend on two aspects of your performance: (i) Assignment: 40%; and (ii) class discussion and presentations: 60%.

3 Course Outline and Readings

There is no required textbook.

3.1 Lectures

I will lecture on Factors, Structural Estimation, Quantitative Theories, and Macro Finance, respectively. The slides based on my published articles are available on my research page:

https://theinvestmentcapm.com/research.html

I have pre-recorded lectures posted at:

https://www.youtube.com/channel/UC0ZcbcXnmU8YhhtER5RpHJg

I will comment extensively on the related literature and possible future research in class.

- Bai and Zhang, 2021, Searching for the equity premium, Journal of Financial Economics.
- Bai, Hou, Kung, Li, and Zhang, 2019, The CAPM strikes back? An equilibrium model with disasters, Journal of Financial Economics.
- Goncalves, Xue, and Zhang, 2020, Aggregation, capital heterogeneity, and the investment CAPM, Review of Financial Studies.
- Hou, Xue, and Zhang, 2015, Digesting anomalies: An investment approach, Review of Financial Studies.
- Hou, Xue, and Zhang, 2020, Replicating anomalies, Review of Financial Studies.
- Petrosky-Nadeau, Zhang, and Kuehn, 2018, Endogenous disasters, American Economic Review.
- Zhang, 2005, The value premium, Journal of Finance.

3.2 Papers for In-class Presentations

In the remainder of the class, we will study recently published articles in asset pricing together. We will do student presentations in class. I will have you search the top 3 finance journals for papers that interest you. My only requirement is that the papers you choose to present must be published within the past 3 years, 5 at most. And the papers should be in asset pricing, broadly defined, however.