Lecture: Financial Market Dynamics

Course Description
The course is devoted to the dynamics of international financial markets. In particular, we analyse the effects of interactions between heterogeneous and boundedly rational market participants on price formation.

Topics
2. Linear deterministic models: The interplay of market makers, chartists and fundamentalists - First simple price dynamics
4. Nonlinear stochastic models: Stochastic market entry - Stochastic investment rules - Stochastic herd behaviour - Fundamental shocks

Room and time coordinates
Lecture: Friday, 10:00-12:00, Room F21/03.01, Start: 2nd week of lectures
Exercise 1: Tuesday, 14:00-16:00, room RZ/01.03, Start: 3rd week of lectures
Exercise 2: Thursday, 14:00-16:00, room RZ/01.03, Start: 3rd week of lectures

Course Material
Additional documents are posted in the Virtual Campus.

Literature