Lecture: Regulation and Control of Financial Markets

Course Description
In this course, we will discuss the question of how certain regulatory interventions can affect the dynamics of international financial markets. The starting point for our considerations is the observation that the dynamics of international financial markets is largely characterized by interactions between heterogeneous and boundedly rational market participants.

Topics
1. International financial markets: Efficiency and dynamics of financial markets - Market participants and investment strategies - Artificial financial markets as a novel analytical tool
2. Transaction taxes: Some theoretical and empirical results - Transaction taxes and investor behavior - Interactions between financial markets
3. Central bank interventions: Some theoretical and empirical results - Interventions and investor behavior - Interactions between foreign exchange markets
4. Trading halts: Some theoretical and empirical results - Trading halts and investor behavior - Trading halts and nonlinear technical analysis
5. Price controls: Some theoretical and empirical results - Price limits and lock-in effects - Strategic responses to price controls

Room and time coordinates
Lecture: Thursday, 10:00-12:00, room F21/02.18, start: first week of lectures
Exercise: Thursday, 14:00-16:00, room RZ/01.03, start: first week of lectures

Course Material
Additional documents are posted in the Virtual Campus.

Literature