

Behavioral Finance

B. Sc. VWL (Hauptfach): Modulnummer/BA VWL WPF BEHAVEFI
Export



1. Content and intended learning outcomes

Content
The objective of the module is to provide bachelor students with a broad understanding of how human psychology affects financial decisions, with specific reference to the impact on personal and household financial decisions, corporate finance and financial markets. For this purpose, the module presents a variety of normative and descriptive theories of expectation formation and decision making under risk and uncertainty and discusses them in light of evidence from empirical and experimental studies.

Learning outcomes
The course will provide students with an understanding of how human psychology leads to biases and mistakes in financial decisions and how these biases, in turn, can help us understand economic and market outcomes. At the end of the course, students should further be able to reason abstractly about potential ways to mitigate mistakes and improve economic outcomes.

2. Teaching and learning methods

Type of course	Topic	Language of instruction	Group size	Contact time	Workload [h]
Lecture	Behavioral Finance	German or English	Open	4 hours	60
Selfstudy					165

3. Prerequisites

obligatory	none
recommended	If language of instruction is English: Good working knowledge of English.

4. Degree program allocation

Study Program	obligatory/ elective	Semester
Volkswirtschaftslehre (B. Sc.)	Elective	5 th or 6 th
Export Mathematik (B.Sc.)	Elective	2 nd – 6 th

5. Requirements for the rewarding of credits (ECTS)

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Prerequisites for participation	None	7,5 CP
Types of Assessment (graded, incl. weighting factor) Examination language	Written exam or term paper (graded, 100%) Questions will be in English, answers can be given in English or German	

7. Course cycle	8. Workload	9. Duration
Winter term <input checked="" type="checkbox"/> Summer term <input type="checkbox"/>	225	1 Term

Module coordination

Teaching person	See www.basis.uni-bonn.de
Module coordinator	Prof. Dr. Hendrik Hakenes
Institute/Department	Department of Economics

Further information

(Reading lists, information links etc.)	Barberis, Nicholas, and Richard Thaler (2003): "A survey of behavioral finance", in <i>Handbook of the Economics of Finance</i> , Chapter 18, pp. 1053-1128. Eisenführ, Franz, and Martin Weber, and Thomas Langer (2010): "Rational Decision Making", Springer Berlin Heidelberg.
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