IMF – Singapore Regional Training Institute (STI)

Course on Financial Market Analysis

Singapore

April 9 – 20, 2012

Reading List

Session	Reading	Source
L–1	**The Role of Financial Markets**	
	Asmundson, Irena, 2011, "What are Financial Services?" *Finance and Development*, Vol. 48, No. 1. March. Available via: http://www.imf.org/external/pubs/ft/fandd/2011/03/pdf/basics.pdf.	Course Website
	Bodie, Z., A. Kane, and A. Marcus, 2011, "The Investment Environment," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 1.	Distributed separately
	Mishkin, Frederic, 2010, "An Economic Analysis of Financial Structure," Chapter 8 in *The Economics of Money, Banking, and Financial Markets* (New York: Prentice Hall, 9th ed.), pp. 169–197.	Binder
	Sheng, Andrew, 2006, "The Art of Reform," *Finance and Development*, Vol. 43, No. 2. June. Available via: http://www.imf.org/external/pubs/ft/fandd/2006/06/sheng.htm.	Course Website
	Supplementary: Levine, Ross, 2005, "Finance and Growth: Theory and Evidence" in *Handbook of Economic Growth*, ed. by. Philippe Aghion and Steven Durlauf (Amsterdam: Elsevier Science). Available via: http://www.econ.brown.edu/fac/Ross_Levine/Publication/Forthcoming/Forth_Book_Durlauf_FinNGrowth.pdf	Link Only
L–2	**Financial Instruments**	
	Bodie, Z., A. Kane, and A. Marcus, 2011, "Asset Classes and Financial Instruments," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 2.	Distributed separately
	Fabozzi, Frank J., and Steven V. Mann, 2000, "Private Money Market Instruments," in *The Handbook of Fixed Income Securities* (New York: McGraw Hill, 6th ed.), Chapter 10, pp. 231–251.	Binder
	Grinblatt, M., and S. Titman (eds.), 2002, "Debt Financing," in *Financial Markets and Corporate Strategy* (New York: McGraw Hill), Chapter 2, pp. 29–75.	Binder
	Jobst, Andreas, 2008, "What is Securitization?" *Finance and Development*, Vol. 45, No. 3. September. Available via: http://www.imf.org/external/pubs/ft/fandd/2008/09/pdf/basics.pdf	Course Website

Session	Reading	Source
	Supplementary: Stulz, René M., 2004, "Should We Fear Derivatives?" *Journal of Economic Perspectives*, Volume 18, No. 3, pp. 173–192. Available via: http://pubs.aeaweb.org/doi/pdfplus/10.1257/0895330042162359	Link Only
L–3	**The Firm's Financing Decision**	
	Barclay, Michael J., and Clifford W. Smith, Jr., 2005, "The Capital Structure Puzzle: The Evidence Revisited," *Journal of Applied Corporate Finance*, Vol. 17, No. 1. Available via: http://onlinelibrary.wiley.com/doi/10.1111/j.1745-6622.2005.012_2.x/abstract	Binder
	Myers, Stewart C., 2001, "Capital Structure," *Journal of Economic Perspectives*, Vol. 15, No. 2 (Spring), pp. 81–102. Available via: http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.15.2.81	Binder
	Supplementary: Fan, Joseph P.H., and Sheridan Titman, 2010, "An International Comparison of Capital Structure and Debt Maturity Choices," NBER Working Paper 16445 (Cambridge, MA: National Bureau of Economic Research). Available via: http://www.nber.org/papers/w16445	Link Only
	Supplementary: International Monetary Fund, 2005, "Corporate Finance in Emerging Markets," Chapter 4 in *Global Financial Stability Report*, April (Washington). Available via: http://www.imf.org/External/Pubs/FT/GFSR/2005/01/pdf/chp4.pdf	Course Website
	Supplementary: Myers, Stewart C., 1984, "The Capital Structure Puzzle," *Journal of Finance*. July, 39:3, pp. 575–92. Available via: http://www.nber.org/papers/w1393.pdf	Link Only
	Supplementary: Rajan, Raghuram G. and Luigi Zingales, 1995, "What Do We Know about Capital Structure? Some Evidence from International Data," *Journal of Finance,* December, 50:5, pp. 1421–1460. Available Via: http://www.nber.org/papers/w4875.pdf	Link Only
L–4	**Primary and Secondary Markets for Securities**	
	Bodie, Z., A. Kane, and A. Marcus, 2011, "How Securities are Traded," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 3.	Distributed separately
	Dodd, Randall, 2008, "Over-the-Counter Markets: What are They?" *Finance and Development*, Vol. 45, No. 2. June. Available via: http://www.imf.org/external/pubs/ft/fandd/2008/06/pdf/basics.pdf	Course Website
	International Monetary Fund and The World Bank, 2001, "Developing a Primary Market for Government Securities," Chapter 5 in *Developing Government Bond Markets: A Handbook* (Washington). pp. 153–178. Available via: http://go.worldbank.org/4THPS6HUW0	Binder
	Supplementary: International Monetary Fund, 2005, "Development of Corporate Bond Markets in Emerging Market Countries," Chapter 4 in *Global Financial Stability Report*, September (Washington). Available via: http://www.imf.org/External/Pubs/FT/GFSR/2005/01/pdf/chp4.pdf	Course Website

Session	Reading	Source
	Supplementary: International Monetary Fund, 2010, "Making Over-the-Counter Derivatives Safer: The Role of Central Counterparties," Chapter 3 in *Global Financial Stability Report*, April (Washington). Available via: http://www.imf.org/external/pubs/ft/gfsr/2010/01/pdf/chap3.pdf	Course Website
L–5	**Pricing Money Market Instruments** Bodie, Z., A. Kane, and A. Marcus, 2011, "Introduction to Risk, Return and the Historical Record," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 5.	Distributed separately
L–6	**Bond Pricing** Bodie, Z., A. Kane, and A. Marcus, 2011, "Bond Prices and Yields," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 14.	Distributed separately
L–7	**Bond Price Volatility** Bodie, Z., A. Kane, and A. Marcus, 2011, "Managing Bond Portfolios," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 16.	Distributed separately
L–8	**Term Structure of Interest Rates** Bodie, Z., A. Kane, and A. Marcus, 2011, "The Term Structure of Interest Rates," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 15. Campbell, John Y. 1995, "Some Lessons from the Yield Curve," *Journal of Economic Perspectives,* Volume 9, No. 3 (Summer), pp. 129–152. Available via: http://www.nber.org/papers/w5031.pdf Estrella, A., and M. R. Trubin, 2006, "The Yield Curve as a Leading Indicator: Some Practical Issues," *Current Issues in Economics and Finance,* Federal Reserve Bank of New York, Volume 12, No. 5, July/August. Available via: http://www.newyorkfed.org/research/current_issues/ci12-5.pdf	Distributed separately Binder Course Website
L–9	**Equity Pricing** Bodie, Z., A. Kane, and A. Marcus, 2011, "The Efficient Market Hypothesis," and "Equity Valuation Models," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.), Chapter 11 and 18. Wetherilt, Anne Vila and Olaf Weeken, 2002, "Equity Valuation Measures: What Can They Tell Us?" *Bank of England Quarterly Bulletin*, Winter. Available via: http://www.bankofengland.co.uk/publications/quarterlybulletin/qb020403.pdf *Supplementary:* Shiller, Robert. J., 2003, "From Efficient Markets Theory to Behavioral Finance," *Journal of Economic Perspectives*, Volume 17, No. 1, pp. 83–104. Available via: http://pubs.aeaweb.org/doi/pdfplus/10.1257/089533003321164967	Distributed separately Course Website Link Only

Session	Reading	Source
L–10	**Asset Allocation and Diversification**	
	Bodie, Z., A. Kane, and A. Marcus, 2011, "Risk Aversion and Capital Allocation to Risky Assets," "Optimal Risky Portfolios," and "The Capital Asset Pricing Model," in *Investments and Portfolio Management* (New York: McGraw Hill, 9th ed.).	Distributed separately
	Black, F., and R. Litterman, 1992, "Global Portfolio Optimization," *Financial Analysts Journal*, pp. 28–43.	Binder
	Eugene F. Fama, and K. R. French, 2004, "The Capital Asset Pricing Model: Theory and Evidence," *Journal of Economic Perspectives*, Vol. 18, No. 3. (Summer), pp. 25–46. Available via: http://pubs.aeaweb.org/doi/pdfplus/10.1257/0895330042162430	Binder
	Odier, P., and B. Solnik, 1993, "Lessons for International Asset Allocation," *Financial Analysts Journal*, pp. 63–77.	Binder
L–11	**Value at Risk**	
	Jorion, Philippe, 2001, "Computing Value at Risk," in *Value at Risk* (New York: McGraw-Hill, 2nd ed.), Chapter 5, pp. 107–128.	Binder
	Supplementary: Haldane, Andrew G., 2009, "Why Banks Failed the Stress Test," speech delivered at the Marcus-Evans Conference on Stress-Testing, London, February 9-10. Available via: www.bankofengland.co.uk/publications/speeches/2009/speech374.pdf	Course Website
	Supplementary: International Monetary Fund, 2007, "Do Market Risk Management Techniques Amplify Systemic Risks?" Chapter 2 in *Global Financial Stability Report*, April (Washington). Available via: http://www.imf.org/External/Pubs/FT/GFSR/2007/02/pdf/chap2.pdf	Course Website
L–12	**Presentation on the Practical Use of FMA Analytical Tools**	
	No Required Readings	