

Master's thesis in Finance

cand.merc – finance (profile specific issues)

10 October 2017

Cand.merc: Programme structure

Accounting and Finance

- 6 constituent courses (60 ECTS)
- 3 elective courses (30 ECTS)
- Master's thesis (30 ECTS)

4th	Master's thesis (related to finance or accounting)		
3rd	Elective courses or study abroad		
2nd	Asset pricing	Financial Accounting	Advanced Management Accounting
1st	Advanced corporate finance	Derivatives and risk management	Management Accounting

How to come up with an idea

- Think back on the courses you've taken
- Search for relevant literature – **Finance journals**:
 - ▶ Journal of Finance, Review of Financial Studies, Journal of Financial Economics, Review of Finance, Journal of Financial and Quantitative Analysis, Journal of Corporate Finance, Journal of Banking and Finance,...
 - ▶ scholar.google.com or SSRN.com (articles and WPs)
 - ▶ Look at the different supervisor's homepage
 - Related research areas
 - **Accounting journals**: Accounting Review, Journal of Accounting Research, Journal of Accounting and Economics,...
 - **Economics journals**: Econometrica, American Economic Review, ...
- When you've found 1-3 papers which are related to a topic in a coherent manner you can write your draft to a problem statement

Theoretical thesis

- Motivation \leftrightarrow Research question. Example:
 - ▶ Overall objective (RQ): How does a firm's debt priority structure impact new investments?
 - ▶ Specific RQs:
 - 1 Does current senior debt exacerbate or postpone new investments?
 - 2 Can junior debt be optimal to fund growth options?
 - 3 ...
- Literature review
- You choose one or more specific models and theories which through the analysis can give an answer to the question posed
- Go through the model and prove it
- Maybe implement the model by the use of a numerical solution method
- Reflect, conclude and put the analysis into perspective

Empirical thesis

- Motivation \leftrightarrow Research question
- Literature review
- Set up a model to test your empirical hypothesis
- Be sure that you can get the data needed for analysis
- Reflect, conclude and put the analysis into perspective

The Finance Group

We can all supervise a master's thesis in finance – corporate finance, asset pricing, financial markets, credit risk etc. Preferred areas:

- Alexander: Corporate finance (empirical); banking
- Christian: Corporate finance (dynamic, strategic issues); PE+VC
- David: Corporate finance (empirical); risk management
- Mo: Financial markets, risk, corporate governance
- Stefan: Corporate finance (theory, strategic issues); credit ratings
- Thiago: Asset pricing; valuation

External supervisors:

- Søren Hesel: Financial markets, derivatives, risk management
- Keven B. Grell: Entrepreneurial finance (VC and PE)

Examples of thesis in Finance

Christian

- Optimal capital structure with strategic debt service
- Modeling merger waves using the real options approach
- Real options valuation of the Johan Sverdrup Field
- Capital Requirements and the Cost of Bank Capital

Alexander

- The Determinant Factors of IPO Underpricing - Empirical Evidence from Athens Stock Exchange
- Private Equity Performance - An Analysis
- Dynamic capital structure models for financial and non-financial firms

Examples of thesis in Finance

Thiago

- Shipping finance and stock returns of shipping companies
- Predicting Market Return with an International Cross-Section System
- Predicting asset returns - Is it really not possible to gain an advantage?

Questions?