ZURICH GRADUATE COLLOQUIUM

Tuesdays, 5:15 pm
Hermann Weyl Zimmer, ETH Zentrum
in alternation with the
Zurich Colloquium in Mathematics

Speaker: **Semyon Malamud**

Title: **Asset pricing in heterogeneous economies**

Date: Tuesday, May 17th

I will start with an introduction to the general equilibrium financial economics and explain several famous empirical "puzzles". Basically, all standard models that economists analyze are based on the assumption that all people in the world are identical (homogeneous). These models are basically unable to replicate ANY of the observed properties of the real market. I will analyze a simple equilibrium model with heterogeneous agents. It turns out that heterogeneity has interesting and unexpected effects on the market prices. In the framework of this model it is possible to explain several of the above mentioned empirical puzzles. Finally, I will discuss possible directions of future research. This talk is based on a joint work with E. Trubowitz and Y. Lengwiler.

`http://www.math.ethz.ch/graduate/colloquium`

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