1. Real business cycles
   a. Setting up a standard Real Business Cycle model
      i. Basic framework
      ii. Solution to the model (linearization)
      iii. Numerical tools
   b. Extensions
      i. Endogenous labour decisions
      ii. Introducing real rigidities
   c. Decentralizing the model
      i. Rental model
      ii. Capital ownership model

- (*) Obstfeld and Rogoff, Foundations of International Economics, chapter 7, section 7.4.3 and Supplement C to Chapter 2.
- Red and Solds Alghoritims: http://www.columbia.edu/~mw2230
- Dynare site: http://www.cepremap.cnrs.fr/dynare/

2. Asset pricing models
   a. Consumption based asset pricing models
   b. Asset prices under different preference specifications
   c. Asset prices in production economies
   d. Higher order approximation and time variation in the risk premium
   e. (time permitting) FX risk premium, Term premia

- (*) Cochrane, J. (2001) Asset Pricing, chapter 1, chapter 21
- (*) Campbell, J. Lo, A. W. & MacKinlay, A. C., The Econometrics of Financial Markets, chapter 8
3. New Keynesian models

   a. Money in the classical RBC framework
   b. The basic New Keynesian model: introducing nominal rigidities


4. Monetary Policy Evaluation in a New Keynesian model

   a. Distortions and the role of monetary policy
   b. Optimal monetary policy and the performance of simple policy rules
   c. Formulating the objective function for the central bank


5. Extensions to the baseline New Keynesian Model

   a. Introducing sticky wages
   b. Open Economy


6. Interaction between Fiscal and Monetary Policy