

**FIN4722 Advanced Household Finance**  
**Semester 1, AY2025-2026**

**Course information**

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**Time and Venue:** Tuesday 15:00 – 18:00, HSS 4-7  
Wednesday 12:00 – 15:00, BIZ1 02-02

**Course Overview**

This module will be structured around the theme of household financial decision making. Specifically, Household Finance studies (1) how households make financial decisions relating to the functions of consumption, payment, risk management, borrowing and investing; (2) how institutions provide goods and services to satisfy these financial functions of households; and (3) how interventions by firms, governments and other parties affect the provision of financial services. This functional definition shows that household finance is clearly a substantial component of the financial sector. These different functions show that the scope of household finance spans multi disciplines, embracing not just finance and economics but also industrial organization (eg. automatic enrolment in workplace savings plan), law (eg. regulations of retail financial transactions), psychology (eg. decisions affected by framing and cognitive biases), and sociology (eg. decisions shaped by social networks).

This course is divided into nine sections comprising (1) Introduction, and the seven functions of (2) Consumption, (3) Saving, (4) Investment, (5) Housing, (6) Payment, (7) Borrowing, and (8) Risk Management, as well as an optional chapter on (9) Financial Inclusion and Financial Technology.

**Learning Outcomes**

A better understanding of household finance can help to improve saving and spending behavior through better financial products and regulations, as well as help avoid problems such as inadequate retirement planning, excess leverage and poorly designed products. The approach of reviewing the field of household finance, as opposed to a product or institutional approach, allows us to have a household-oriented focus. For example, households who want to consume, pay, manage risk, borrow, and save/invest will likely look across a variety of products, formal institutions and informal networks.

**Lecture Notes**

In order to reduce your note taking, lecture notes on the book chapters will be available before class.

**Textbook:**

1. [Household Finance: A Functional Approach](#), (Sumit Agarwal, Wenlan Qian, and Ruth Tan), Palgrave Publishing, 2020

**Optional Reading Materials:**

2. [Kiasunomics2](#), (Sumit Agarwal, Swee Hoon Ang, and Tien Foo Sing), World Scientific Publishing, 2020
3. [Kiasunomics3](#), (Sumit Agarwal, Swee Hoon Ang, and Tien Foo Sing), World Scientific Publishing, 2024

**Final Grade Computation:**

Participation	20 pts
Mid-term Test	20 pts
Final Test	20 pts
Assignment	10 pts
Group Project	30 pts
<b>TOTAL</b>	<b>100 pts</b>

Week 1	Overview of Household Finance
Week 2	Consumption
Week 3	Saving I
Week 4	Saving II
Week 5	Investment
Week 6	Housing
Week 7 (30 Sep, 1 Oct)	Mid-term Test + Group Project Consultation
Week 8	Payment
Week 9	Borrowing
Week 10	Financial Inclusion and Financial Technology (non-tested) No class on NUS Well-Being Day (21 Oct, Tuesday)
Week 11	Risk Management + Guest Lecture
Week 12 (4 Nov, 5 Nov)	Final Test + Group Project Consultation
Week 13	Project Presentations

The syllabus is subject to change.

## ACADEMIC HONESTY & PLAGIARISM

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. **In case of any doubts, you should consult your instructor.**

Additional guidance is available at:

<http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism:

<http://emodule.nus.edu.sg/ac/>