

Sample Statement of Purpose (letter of Intent) for MS in Economics

In this letter of intent, I am going to focus on the rewards of studying economics further at the graduate level. I have chosen Texas A&M University because I feel it will best prepare me to fulfill my future career objectives.

I have chosen to work in financial economics since it requires a lot of analytical skills. Furthermore, it demands a good mathematical background and leads to lucrative jobs. I have solid educational credentials that will enable me to excel in this field of study. I have a Bachelor of Science with Honors in Economics with a specialization in financial economics and mathematics and statistics minors from the University of Minnesota - Twin Cities. Additionally, I have broad research experience in economics which augmented my knowledge of data manipulation and abstract modeling.

A Texas A&M Master of Science degree in Economics will make me an outstanding economist. I had the privilege of taking an international trade honors course taught by Professor Michael Lewin who is a Texas A&M graduate school alumni. I really enjoyed the class and this gave me all the more reason to apply to Texas A&M. Furthermore, the lectures that he gave made me think deeply about the financial markets and to come up with innovative ideas to make them better for investors to understand and get rewarded.

I have learned a considerable amount from my lecturers and I like their intuitiveness and comprehensive view of economics. I firmly believe that a Master of Science in Economics from Texas A&M University will give me the same sophistication in applying economic techniques.

During my undergraduate education, I completed a thesis titled "How the original CAPM would alter if there is no risk-free asset in which the investor can borrow and lend" which I want to talk about here. In this piece of research which I completed under the guidance of Professor Johnson, American economist Fischer Black demonstrates that even when there are borrowing restrictions, there would still remain a positive relationship between expected return and beta. However, the security market line would be less steep as a result.

It was great to see how Black had utilized ideas from economists such as Eugene Fama, Robert Merton and William Sharpe who have commented that efficient frontier portfolios have a number of interesting characteristics. For instance, any portfolio that is a combination of two frontier portfolios is itself on the efficient frontier.

My undergraduate thesis has been presented at the "Conference on Financial Economics and Accounting". We are also getting it ready for publication. Currently, I am undertaking empirical research in fiscal policy and interest rates.

As much as I enjoy financial economics, I want to get a broad education on economics so I will look to take courses in international economics and labor economics. The good thing about economics as a discipline is that it is not too restrictive. There is a lot of complexity in this subject and it would not be the best course of action to specialize narrowly.

I am applying now because I have a lot of passion for the discipline and I want to further my studies. I have previously been a teaching assistant in Professor Cai's Microeconomics class and Professor Rustochini's Intermediate Macroeconomics class. I realized that there is a lot of dedication and effort that makes a good student also a good teacher. Being a good researcher also requires a similar amount of energy and passion and a Texas A&M MS in Economics will give me a big advantage.

I am an innovative and persistent student, and I am prepared for the big leap in my career as an economist. I look forward to putting in considerable time and effort in acquiring a world class education. I have always desired to work with the best researchers and compete against the best students in the world. This is why I have chosen to apply to Texas A&M University.

