

<b>DEREE COLLEGE SYLLABUS FOR: FN 2127 FINANCIAL MARKETS AND INSTRUMENTS</b>	
(Fall 2021)	<b>UK LEVEL: 4</b> <b>UK CREDITS: 15</b> <b>US CREDITS: 3/0/3</b>
<b>PREREQUISITES:</b>	EC 1000 Principles of Microeconomics
<b>CATALOG DESCRIPTION:</b>	The course is intended to help students understand the role financial markets and institutions play in the business environment they will face in the future. It also provides them with the opportunity to develop a series of applications of principles from finance and economics that explore the connection between financial markets and institutions and the economy.
<b>RATIONALE:</b>	In today's dynamic financial environment, the knowledgeable participant requires a firm grounding in financial theory, exposure to the diversity of financial instruments, and appreciation of the role of institutions within financial markets. The course provides business students with such financial market insights by introducing them to the operation of the major financial markets and the role of most common individual financial instruments in these markets as well as the role and the structure of various financial institutions.
<b>LEARNING OUTCOMES:</b>	As a result of taking this module, the student should be able to: <ol style="list-style-type: none"> <li>1. Understand the operation of financial markets and the role of key financial instruments and institutions within these markets.</li> <li>2. Understand the time value of money concept and explain interest rate movements, as well as why yields vary between different financial instruments.</li> <li>3. Describe the main types of financial instruments, with a focus on their utilization by financial institutions and investors.</li> <li>4. Demonstrate knowledge of the main types of financial institutions, with a focus on their function in the financial environment.</li> </ol>
<b>METHOD OF TEACHING AND LEARNING:</b>	In congruence with the teaching and learning strategy of the college, the following tools are used: <ul style="list-style-type: none"> <li>➤ In class discussion of numerical and conceptual exercises and real life examples that help lecturer to illustrate basic concepts of the course. Students are expected to be prepared and they are encouraged to present their views and answers to their peers. For this purpose, some classes will be held in the trading room.</li> <li>➤ In class discussion of current economic and financial developments that aim to enhance students' understanding of the domestic and global financial markets. The use of the trading room will occasionally facilitate the discussion on the operation of financial markets such as stock, bond or currency markets and the extraction of information from Bloomberg and Reuters.</li> <li>➤ In class discussion of financial press articles to expand exposure on course content beyond the textbook and generate discussion on financial issues. Students are expected to be prepared and they are encouraged to</li> </ul>

	<p>present their views on these issues.</p> <ul style="list-style-type: none"> <li>➤ Use of power point and videos to present the material.</li> </ul>						
<p><b>ASSESSMENT:</b></p>	<p>Summative:</p> <table border="1" data-bbox="626 176 1369 430"> <tr> <td data-bbox="626 176 1190 302">First Assessment: In-class written examination (One-hour closed-book, problems/essays combination)</td> <td data-bbox="1190 176 1369 302" style="text-align: center;"><b>40</b></td> </tr> <tr> <td data-bbox="626 302 1190 430">Second Assessment: In-class written examination (Two-hour, closed-book, problems/essays combination)</td> <td data-bbox="1190 302 1369 430" style="text-align: center;"><b>60</b></td> </tr> </table> <p>Formative:</p> <table border="1" data-bbox="626 493 1369 529"> <tr> <td data-bbox="626 493 1190 529">Practice questions sets and quizzes</td> <td data-bbox="1190 493 1369 529" style="text-align: center;"><b>0</b></td> </tr> </table> <p>The formative assessment aims to prepare students for the examination.</p> <p>The first summative assessment tests Learning Outcomes 1 and 2 The second summative assessment tests Learning Outcomes 3 and 4.</p> <p>Students are required to resit failed assessments in this module.</p>	First Assessment: In-class written examination (One-hour closed-book, problems/essays combination)	<b>40</b>	Second Assessment: In-class written examination (Two-hour, closed-book, problems/essays combination)	<b>60</b>	Practice questions sets and quizzes	<b>0</b>
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Practice questions sets and quizzes	<b>0</b>						
<p><b>INDICATIVE READING:</b></p>	<p><b>REQUIRED READING:</b></p> <p>Jeff Madura, Financial Markets and Institutions, South-Western College Publishing, an International Thomson Publishing Co., latest edition.</p> <p><b>RECOMMENDED READING:</b></p> <p>Bergeron, Claude (2013), "Dividend Growth, Stock Valuation, and Long-Run Risk". Journal of Economics and Finance, Vol. 37, No. 4, pp. 547-59.</p> <p>Bijak, Vanja. (2013), "Bond Markets Co-movement Dynamics and Macroeconomic Factors: Evidence from Emerging and Frontier Markets". Emerging Markets, Vol.17, pp.29-43</p> <p>De Jong, Frank; Wingens, Loes (2013), "Do Firm Characteristics Influence Mutual Fund Performance? An Empirical Study for European Mutual Funds". Journal of Financial Perspectives, Vol. 1, No. 1, pp. 159-68.</p> <p>Fanta, Fassil. (2013), "Financial Deregulation, Economic Uncertainty and the Stability of Money Demand in Australia". Economic Papers, Vol. 32, No. 4, pp.496-511.</p> <p>Frederic Mishkin, Stanley Eakins, Financial Markets and Institutions, Pearson Addison Wesley, latest edition.</p>						
<p><b>INDICATIVE MATERIAL:</b> (e.g. audiovisual, digital material, etc.)</p>	<p><b>REQUIRED MATERIAL:</b> N/A</p> <p><b>RECOMMENDED MATERIAL:</b> N/A</p>						
<p><b>COMMUNICATION REQUIREMENTS:</b></p>	<p>Effective written and oral communication skills using appropriate terminology.</p>						

<b>SOFTWARE REQUIREMENTS:</b>	MS Office, Internet, Blackboard
<b>WWW RESOURCES:</b>	<a href="http://www.ft.com">www.ft.com</a> <a href="http://www.bloomberg.com">www.bloomberg.com</a> <a href="http://www.finance.yahoo.com">www.finance.yahoo.com</a> <a href="http://www.nyse.com">www.nyse.com</a>
<b>INDICATIVE CONTENT:</b>	<ol style="list-style-type: none"><li>1. Overview of the Financial Environment.</li><li>2. Determinants of Asset Prices</li><li>3. Debt Security Markets</li><li>4. Equity Markets</li><li>5. Derivative Security Markets</li><li>6. Financial Institutions</li></ol>