

Financial Markets and Institutions

Syllabus

Course code:12A13

Credits:3

Teaching hours:48

Coordinator: Liping Zou

This Syllabus is constituted basing on the training plan for international school undergraduate at JUFU in 2014.

Course Description

This course focuses on the role of major players who operate in the world of finance. The core topics covered in the book are the heart of what happens every day in the financial sector of the economy. It considers in some details about the most important financial instruments currently used. It provides a balanced introduction to the operation, mechanics, and structure of the U.S. financial system, emphasizing its institutions, markets, and financial instruments. The course stress fundamental concepts with an emphasis on understanding how things really work. At the same time, the vibrancy and excitement created by the dramatic changes taking place in the U.S. financial system are also integrated in this course. This will guide you to a confident mastery and understanding of the U.S. financial system in an interesting and, hopefully, entertaining manner. This course is your passport to link your classroom experience to what is happening in the real world. What you learn will be applicable to your business career or in managing your personal financial affairs.

Course Objectives

This paper seeks to provide a comprehensive understanding of financial institutions, markets, and money and might be useful as a foundation for many advanced financial courses.

Students should aim to develop sufficient skills, abilities and understanding this course so that they are able to address practical “real-world” problems that are not identical to the “textbook” examples provided in the paper.

Required Text

[1]Kidwell D, Peterson R, Blackwell D and Whidbee D (2012) Financial Institutions, Markets, and Money. 11th edition, John Wiley & Sons.

[2]Financial Markets and Institutions, 5/E ,Frederic Mishkin, Columbia University

Grading Policy

Academic dishonesty

It is not feasible to attempt to develop a list of all conceivable examples of academic

dishonesty, but it may be helpful to list a few and to note that they all involve an attempt to deceive, to distort perceptions of reality, to gain a record of academic accomplishment greater than earned. All who are parties to the deceit are involved in academic dishonesty. Most acts of academic dishonesty involve cheating on examinations or reports in one way or another, improperly obtaining examination question, plagiarism, forgery, falsification of records or impersonation of a candidate taking an examination.

2. Point distribution

Pre-Test	10%
Mid-term test	40%
Final examination	50%

Course learning objectives

Apply concepts relevant to financial markets and financial institutions, such as the flow of funds, levels of interest rates and interest rate differentials, to current events or topical issues.

b. Evaluate empirical evidence of market performance, and contrast it with theories of market performance.

c. Research and analyze specific problems or issues related to financial markets and institutions.

d. Explore the international integration of international financial markets and to analyze the implications for financial managers.

Course Outline

Session	Topic
1	Module 1: Finance: An Overview
2	Module 2: An overview of financial markets and institutions
3	Module 3: The Federal Reserve and interest rates
4	Module 4: The level of interest rates
5	Module 5: Time Value of Money
6	Module 6: Bond pricing
7	Module 7: The structure of interest rates
8	Module 8: Money Markets
9	Mid-term Test (Modules 2, 4, 5, 6 and 7)
10	Module 9: Bond Markets
11	Module 10: Equity markets & Risk and Return
12	Module 11: Derivatives markets
13	Module 12: International Markets
14	Module 13: Why Do Financial Institution Exist?
15	Module 14: Why Do Financial Crises Occur and Why Are They Bad to the Economy?
16	Final Exam (Modules 8 , 9, 10, 11 and 12)