<table>
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<tr>
<th>Course Code : BUS 321</th>
<th>Course Title : FINANCIAL MARKETS AND INSTITUTIONS</th>
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<tbody>
<tr>
<td>Level : Undergraduate</td>
<td>Year : III</td>
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<tr>
<td>Status : Elective</td>
<td>Hours/Week : 3</td>
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Course Coordinator:

**COURSE DESCRIPTION**
Capital markets and institutions channel trillions of dollars through the economy, affecting business, government, and consumer decisions and the welfare of consumers throughout the world. Topics include the determination of asset prices; the risk and term structure of interest rates; the efficient markets hypothesis; risk management and financial derivatives, asymmetric information models of financial market structure, innovation, regulation and deregulation; and financial crises.

**COURSE OBJECTIVES**
The purpose of this course is to guide students in developing critical thinking skills as applied to financial markets and institutions.

**COURSE CONTENTS**
1. What Do Interest Rates Mean and What Is Their Role in Valuation?
2. How Do Risk and Term Structure Affect Interest Rates?
3. Structure of Central Banks
5. The Money markets
6. The Bond Market
7. The Stock Market
8. The Mortgage Markets
9. The Foreign Exchange Market
10. Banking and the Management of Financial Institutions
11. Savings Associations and Credit Unions
12. The Mutual Fund Industry
13. Insurance Companies and Pension Funds

**TEACHING/ASSESSMENT**

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<td><strong>Teaching Methods</strong></td>
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| **Student Assessment Methods** | Mid-Term Exams: 20%  
Presentation, Attendance, Participation,  
Homework: 30%  
Final Exam: 50% |

**Learning outcomes**
To be familiar with and able to explain key elements of financial markets and how they function, including the basic theory of asset demand and determination of asset prices, the role of arbitrage in financial markets, the role of information in financial markets, and the causes and consequences of financial crises.

**Language of Instruction**
English

**Textbook(s)**