

Monfort College of Business
Semester Course Syllabus

(2009-2010)

COURSE PREFIX/TITLE: BAFN 371--Financial Markets and Institutions

Sem. Hrs. 3
Ed. Cap. 40

CATALOG DESCRIPTION: Prerequisite: ECON 203. Business majors only. Juniors or above. Analyze characteristics and interrelations between money and capital markets and flow of funds. Stress financial institutions' role as intermediaries and effect on economic activity.

PREREQUISITES: ECON 203. Business majors only. Juniors or above.

COURSE OBJECTIVES:

1. Provide an overview of the U.S. financial system.
2. Evaluate central banking including evaluation of the Federal Reserve System, deposit expansion, and money supply.
3. Evaluate commercial banking operations, management, profitability, market structure, and regulations.
4. Evaluate nonbank financial institutions' characteristics, role in the financial system, institutional and market issues, and regulations.
5. Review and discuss contemporary issues affecting financial institutions.
6. Evaluate financial markets' instruments and characteristics.
7. Evaluate the effects of monetary policy on the financial system, institutions, and markets.
8. Evaluate international banking, exchange and credit markets and implication for U.S. institutions and markets.

COURSE TOPICS:

Approx.
50 Min.
Periods

Topics Covered

Description

8	Introduction	Introduction to the financial system, financial sector, security pricing, interest rate influences and determination, and the term structure of interest rates.
5	Federal Reserve	The Federal Reserve System and deposit expansion and the money supply.
8	Commercial Banking	Commercial banking operations, management, profitability, market structure, and regulations.
6	Nonbank Institutions	Nonbanking financial institutions' evaluation such as thrifts, credit unions, investment banks, investment funds, insurance companies, and financial conglomerates.

Approx.
50 Min.

<u>Periods</u>	<u>Topics Covered</u>	<u>Description</u>
4	Contemporary Issues	Contemporary issues affecting financial institutions including asset/liability and risk management of financial institutions, deposit insurance, technological change, and regulatory issues.
8	Financial Markets	Money, capital, mortgage, futures, and options markets and instruments and relationships to financial institution management.
2	Monetary Policy	Monetary policy and effects on the financial system, financial institutions' management decisions, financial markets, and spending.
<u>4</u>	International Financial System	The international financial system including international banking, exchange rates and markets, and international credit markets.
45	Total	

COURSE REQUIREMENTS: Examination(s), homework, projects and quizzes as needed.

TYPE OF GRADING: Letter

SUGGESTED TEXT AND/OR SUPPLEMENTS: (Note: These books are only suggested. Prior to purchasing books and other materials, students need to check with the class instructor for their book and class material choices.)

Mishkin, F. S. and Eakins, S. G. (2009). *Financial markets and institutions*, (6th ed.). Pearson/Prentice Hall.

The Wall Street Journal, *Business Week*, *Federal Reserve Bulletin*, and publications of the Federal Reserve Banks.

ASSESSMENT STATEMENT: The Monfort College of Business may collect data in this course that will be used to assess student progress toward our program learning goals and objectives. Individual student performance information will be kept confidential; however, this data may be disseminated in an aggregate form to professional groups and through research publications. If you do not wish your performance in this class to be included in research about overall student performance (beyond the accreditation process), please inform your instructor in writing of this intent.

COMPUTER UTILIZATION: Students will be introduced to the use of computers and financial calculators for evaluating valuation and risk management issues.

LIBRARY UTILIZATION: Students are expected to discuss information contained in current financial business news using primarily the Wall Street Journal, Business Week, Federal Reserve Bulletin, and other Federal Reserve publications. Students are also given research assignments requiring the use of these and other publications from the library.

GLOBAL DIMENSION COVERAGE: Students will evaluate global banking and finance issues including international banking and market development, regulation, and international lending activities. Students will be introduced to concepts of exchange rate determination, balance of payments accounting, the process of financing internationalization trade, and globalization of financial markets.

ETHICAL DIMENSION COVERAGE: Institutional goals, objectives, ethical responsibilities will be addressed. Legal and regulatory guidelines and restrictions of financial institutions, markets, and participants will be covered in detail. Responsible risk-return management will be evaluated. Social responsibility of institutions and markets will also be discussed.

DISABILITY STATEMENT: Any student requesting disability accommodation for this class must inform the instructor giving appropriate notice. Students are encouraged to contact Disability Support Services at (970) 351-2289 to certify documentation of disability and to ensure appropriate accommodations are implemented in a timely manner.

CLASSROOM TECHNOLOGY GUIDELINES:

Each student is required to review and become familiar with the following classroom technology guidelines: <http://www.mcb.unco.edu/Technology/Classroom%20Technology%20Guidelines.pdf>

Food is not allowed in classrooms. Only drinks in a container with a screw top lid are allowed.

KENNETH W. MONFORT COLLEGE OF BUSINESS STATEMENT

The Kenneth W. Monfort College of Business students are expected to conduct themselves in accordance with the highest standards of academic honesty. Cheating, plagiarism, illegitimate possession and disposition of examinations, alteration, forgery, or falsification of official records and documents, and similar acts or the attempt to engage in such acts are grounds for disciplinary action. This action can include the following in addition to any University disciplinary action:

1. A failing grade for a particular assignment.
2. A failing grade for a particular course.
3. Suspension from the College of Business Administration.
4. Expulsion from the College of Business Administration.

Students are expected to complete all prerequisites for a business class prior to the first day of class. Students may not concurrently enroll in a class and its prerequisite(s) unless it is expressly stated in the bulletin that the class is a co-requisite. Any exception to this policy must be approved by the Director of the School offering the class.

Students must submit original works for assignments required in this class. This includes term papers, cases and other course requirements. A student who submits a work that was previously submitted to another class without prior approval from the instructor is in violation of this policy. A student who violates this policy may receive a failing grade for the assignment, a failing grade for the class, and face termination of his/her business degree program.

MONFORT COLLEGE OF BUSINESS STUDENT CODE OF PROFESSIONAL CONDUCT:

Monfort College of Business students represent the professional and academic interests of the entire MCB & UNC communities. Accordingly, MCB expects all students to behave in a professional manner and adhere to high ethical standards in every business class and in every activity connected with the Monfort College of Business. This professional behavior is required not only in the classroom but also in all MCB-related interactions such as e-mails, conferences and use of technology.

MCB students should exhibit respectful behavior in classes. This behavior includes arriving on time to class, staying in class until the lecture ends, having the discipline to stay engaged in class, turning-off or silencing cell phones and pagers while in class, refraining from text-messaging, and avoiding coming to class wearing clothing that is unduly provocative or has written messages that are rude, insensitive or obscene. MCB students should engage in respectful behavior in all activities where they act directly or indirectly as a representative of the MCB. Respectful behavior creates a more desirable, civilized, and productive learning environment, and it models behavior that is both productive and pleasant when students transition from the classroom to the workplace.

MCB students should master and apply the fundamental skill of preparing and sending class or university related e-mails that are properly written, show professionalism and communicate a clear message. E-mails containing profanity, spelling mistakes, punctuation errors, or poor composition evidence sloppiness and show disrespect to the recipient. MCB students should use proper forms of address when communicating orally or in writing with faculty or staff (i.e., Dr. Smith, Professor Jones, Ms. Abbot, etc.). If a student does not know how to address a faculty member, he or she should ask.

This code of professional conduct complements, but does not replace, the Honor Code of the Monfort College of Business or the Honor Code of the University.

Last Updated: August 14, 2008
By: Deidra Schaeffer
Rolled Over: September 1, 2009
BAFN371.0910.doc