

COURSE DESCRIPTION

Course code	Course group	Volume in ECTS credits	Course valid from	Course valid to	Course code
EKF5016	C	6	2016 03 31	2019 03 01	

Dalyko tipas	Compulsory
Course level	Master (postgraduate) level
Semester the course is delivered	1
Study form	Face-to-face

Course title in Lithuanian

Financial markets and institutions

Course title in English

Finansų rinkos ir institucijos

Short course annotation in Lithuanian (up to 500 symbols)

Dalyko paskirtis – studijuoti finansų rinkų ir finansinių paslaugų sektoriaus teorinius modelius, finansinius instrumentus, rinkų operacijas, reguliavimą, sektoriaus tendencijas ir charakteristikas, analizuoti korporatyvinio valdymo struktūrų įtaką finansų sektoriui, finansų rinkos mikrostruktūrą bei prekybos sistemas. Studijų dalykas apima paskaitas, seminarus, atvejų analizę, projektą.

Short course annotation in English (up to 500 symbols)

Course objective - to study theoretical background on financial market and financial services industry, its operations, regulations, industry trends and characteristics. Students study influence of corporate governance on financial industry, market microstructure and trading systems. Course includes lectures, seminars, case analysis, project.

Prerequisites for entering the course

Foundations of Finance

Course aim

To provide competencies to analyse, model and assess strategic corporate finance management decisions taking into consideration macroeconomic environment, to apply valuation methods, to assess corporate governance practices.

Links between study programme outcomes, course outcomes and criteria of learning achievement evaluation

Study programme outcomes	Course outcomes	Criteria of learning achievement evaluation
1. Demonstrate knowledge of classical and modern financial, accounting, economic and management theories, models, methods and findings of applied research in the changing macroeconomic and business environment.	1. Explain, analyse and assess major concepts of financial markets and institutions.	The student explains appropriately, generalizes, analyses and assesses concepts in finance theories in national and international context.
4. Demonstrate knowledge and sophisticated understanding of financial markets and financial services industry, its operations, regulations, trends and changes under processes of integration and globalization.	2. Understand and interpret content of financial market transactions and outcomes, regulations, processes and factors influencing financial services sector.	The student interprets appropriately, content of financial market transactions and outcomes, regulations, processes and factors influencing financial services sector.
10. Be able to apply both classical and innovative financial models, methods and tools for investment portfolio formation and management, financial risk management, performance evaluation and finance decisions of the firm, aimed at value creation.	3. Know and apply financial instrument valuation methods.	The student selects and applies appropriately at least half of given financial instrument valuation methods.
	4. Select and apply methods for assessment of securities offerings and trading.	The student knows and applies appropriately securities offerings and trading assessment methods according to at least half of the given criteria.
	5. Select and apply methods and techniques for analysis of market transactions and their risks.	The student knows and applies appropriately financial market transactions and their risk analysis methods according to at least half of the given criteria.

5. Know and be able to apply modern methods and instruments for complex strategic financial and investment decision making, financial risk assessment, financial and investment policy development, based on assessment of alternatives.	6. Analyse and assess financial market participants' behaviour, decision making, motives and outcomes, undertake financial market investment decisions.	The student analyses and assesses financial market participants' behaviour and decision making according to at least half of the given criteria.
11. Be able to analyze and assess macroeconomic and business environment and financial system, including financial markets and financial institutions, for complex business financial decision making .	7. Recognize and assess new trends in global and EU financial markets and financial services sectors, processes and outcomes.	Based on data base information recognize, present new trends in global and EU financial markets and financial services sectors, assess processes and their outcomes.
12. Be able to recognize complex financial problems and perform their comprehensive financial and relevant interdisciplinary analysis and assessment by applying modern methods and tools.	8. Select and apply quantitative and qualitative research methods for analysis of financial markets cases.	The student selects correctly and explains quantitative and qualitative research method(s) for analysis of financial markets cases.
13. Be able to perform efficiently in a team, take responsibility, share knowledge and communicate for problem solving and decision-making.	9. Demonstrate communication and collaboration skills, responsibility in independent and teamwork, etc.	The student collaborates with team members, communicates, and undertakes responsibility, while reaching personal goals.
17. Apply abilities of continuous learning, self-reflection, career planning and management, helping to adapt to rapid environment changes.	10. Analyse independently a case in financial markets, make conclusions and provide decisions.	The student recognizes and makes assessment of a specific case in financial markets according to at least half of the given questions

Link between course outcomes and content

Course outcomes	Content (topics)
1. Explain, analyse and assess major concepts of financial markets and institutions.	1. Financial system, its functions, and models. Financial systems. 2. Financial system structure theory. 3. Interest rate theories. 4. Determinants of yield curves. Yield curve theories.
2. Understand and interpret content of financial market transactions and outcomes, regulations, processes and factors influencing financial services sector.	5. Money markets: money market instruments and transactions; valuation of money market instruments; global and European money markets. 6. Debt markets: characteristics of debt instruments; valuation and risk of debt instruments; debt markets.
3. Know and apply financial instrument valuation methods.	7. Capital markets. Global and European stock exchanges. Investors' behaviour in capital markets. Market for corporate control.
4. Select and apply methods for assessment of securities offerings and trading.	8. Stock valuation and risk. Initial and secondary stock offerings. Global and European IPO trends.
5. Select and apply methods and techniques for analysis of market transactions and their risks.	9. Market microstructure: theory and practice. 10. Stock trading systems. Stock market transactions in European and global markets. Stock trading analysis.
6. Analyse and assess financial market participants' behaviour, decision making, motives and outcomes, undertake financial market investment decisions.	11. Derivative instruments and their risks. 12. Commercial banks and financial institutions as financial intermediators.
7. Recognize and assess new trends in global and EU financial markets and financial services sectors, processes and outcomes.	13. Financial intermediation transactions in financial markets. 14. Financial markets regulation in EU. 15. Mergers and acquisitions in international markets.
8. Select and apply quantitative and qualitative research methods for analysis of strategic corporate finance	16. Analysis of cases on securities transactions in financial markets, based on application of financial decision assessment methods, taking into consideration factors of macroeconomic environment.

management cases	17. Analysis of cases in international financial markets, institutions and listed companies.
9. Demonstrate communication and collaboration skills, responsibility in independent and teamwork, etc.	
10. Analyse independently a case in financial markets, make conclusions and provide decisions.	

Study methods

Teaching methods: visual presentation of information (explanation, illustration); lecture-based case analysis; formulation and explanation of problem-based examples and questions; moderation of discussions; moderation of case studies; consultations.

Learning methods: discussions; analysis of problem-based examples and questions; consultations; practical tasks; analysis of written cases and examples; group discussion on seminar tasks; collective student work while preparing a group presentation; oral self-reflection; independent student work: search and analysis of information in educational literature, periodicals, statistical documents, etc.

Methods of learning achievement assessment

Written assessment (during colloquium and examination); assessment of case analysis and oral presentation; assessment of independent teamwork and its final oral presentation.

Distribution of workload for students

Lectures and case studies– 30 hrs.

Seminars and case studies – 15 hrs.

Team work (using IT) – 15 hrs.

Independent student work (*for a student to prepare for lectures, seminars, case studies, read reference materials independently, prepare an oral and written group presentation; prepare for the colloquium and examination*)– 100 hrs.

Structure of cumulative grade

Colloquium – 20%.

Independent teamwork – 15%.

Seminar tasks and case analysis – 15%.

Examination - 50 %.

Recommended literature

No.	Publicati on year	Authors of publication and title	Publishing house	Number of copies in	
				University library	Self-study rooms
Compulsory literature					
1.	2015	Madura, J. Financial Markets and Institutions, 11th ed.	Cengage Learning	3	3
2.	2013	Frank J Fabozzi, Franco P. Modigliani, Frank J. Jones. Foundations of Financial Markets and Institutions: Pearson New International Edition, 4 ed.	Pearson	1	1
3.	2009-2016	Financial Markets and Institutions (selected research papers)			
Supplementary literature					
4.	2008	Handbook of European Financial Markets and Institutions.	Prentice-Hall Int.	1	1
5.	2012	Haan de J., Oosterloo S., Schoenmaker D., Financial Markets and Institutions. A European Perspective. 2nd ed.	Oxford University Press	1	1
6.	2012	Avgouleas E., Governance of Global Financial Markets. The Law, the Economics, the Politics	Oxford University Press		1

Course description designed by

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