



COURSE INFORMATION

Level: Undergraduate Course

Semester: July, 2020

Course Title: ECON320 - Financial Markets & Institutions

CLASS HOURS:

CREDITS(s): 3

Lecture: Monday to Friday, 120 minutes each day, for three weeks.

Tutorial: Monday to Friday, 60 minutes each day, for three weeks.

Consultation: One hour every week. Specific Consultation time and venue will be announced during the semester.

Field Trip: None

OVERVIEW

Course Description:

The aim of this course is to provide students with an introduction to the financial institutes, markets and securities. International, as well as Australian economics and its financial systems, will be considered as references. This course introduces some of the key concepts and methods used in financial and monetary economics. It provides basic understanding to students who want to study monetary economics, financial economics and international finance at an advanced level.

Prerequisites: Foundation in Economics and Finance course.

LEARNING OUTCOME

On successful completion of this course, students will be able to:

- Identify and explain Australian and international financial markets and institutes
- Understand the objectives of monetary policy, can describe an orthodox and unconventional approach to monetary policy implementation
- Describe how foreign exchange market, bond market, and share market work,
- Understand future and option contracts, explain key determinants of the value of an option contract.
- Apply theories and concepts of financial markets and institutes in a real-world situation.

Disclaimer: Course schedule is subject to change and you will be responsible for abiding by any such changes.



LEARNING RESOURCES

Textbook:

Financial Institutions and Markets, Author: Ben Hunt / University of Technology, Sydney
Chris Terry / University of Technology, Sydney, © 2019 ISBN 9780170411851, Edition 8,
Published: 30/10/2018 by Cengage Learning Australia

WEEKLY SCHEDULE

Week	Day	Topic	Suggested Reading
1	1	Introduction to Financial Institutions and Markets	Chapter 1
	2	The payments system Introduction to Group Research project ➤ Group formation ➤ Topic selection	Chapters 2
	3	Introduction to direct financing	Chapter 3
	4	Funds management Authorised deposit-taking institutions	Chapter 4 & 5
	5	The money market Group Research project ➤ Quick group presentation (Not graded)	Chapter 7
2	1	The bond market	Chapter 8
	2	Shares & The Share Market	Chapter 9 & 10
	3	Foreign exchange and global capital markets	Chapter 11
	4	Review	
	5	Mid-term Examination	
3	1	Introduction to interest-rate risk management	Chapter 12
	2	Financial futures Deadline: Group Research project	Chapter 13
	3	Swaps	Chapter 14
	4	Review	
	5	Final Examination	

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ASSESSMENT

Assessment Task	Weighting
Attendance and Participation	10%
Group Research Project	30%
Mid-term Examination	30%
Final Examination	30%
Total	100%

DETAILS ON GRADE COMPONENTS

Class Attendance and Participation (In-class discussion)

Class lectures will be a mix of traditional lectures and time spent working together on applications and exercises. To free up more time for working through problems together, students should read the relevant chapter before coming to the class. Discussion sessions will be used to give students an opportunity to clarify their understanding of the topics from the lecture and textbook.

If students miss more than 5 classes and did not receive permissions from the instructor, they will automatically get a letter grade of F for this class, which is a failing grade. If a student has to miss class due to some personal emergencies or family issues, he/she should inform the TA or the instructor to get permission immediately. And students are held responsible for the class materials and homework for the class they will miss.

Class participation is highly encouraged by the instructor, and the instructor will provide opportunities for the students to participate during the class period. Students should read all assigned reading materials in order to be well prepared for discussion.

Group Research Project

One of the objectives of the group research project is intended to develop your research skills, improve your ability to apply learned skills in a real-world environment, present your ideas concisely and coherently.

- You work in a team of bankers of an investment bank that provide capital and treasury solutions to ASX listed companies.
- Your research and analysis will involve the followings:
 - Research the companies funding and treasury practice
 - Current news/development of the company
 - Identify opportunities of the company (in relation to investment and

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treasury management)

- More detailed assessment guidelines will be provided in class.
- The group is expected to work as a team. All the group members **MUST** involve in group discussion, contribute to the overall quality of the group report.
- Any evidence of students freeloading within a group will get Zero.

Mid-term and Final Examinations:

There will be 2 exams for this class, one midterm and one final exam, which is 60% of the total grade. The instructor will hold a review session prior to each exam. Details of the examination will be available during the semester.

Course Grading:

Upon completion of this course, you receive a final grade. A final grade is a letter grade that carries with it a numerical value, as outlined below.

Grade	Mark
A	80-100
B	70-79
C	60-69
D	50-59
E	0-49

To pass this subject, students are required to obtain Grade C or above in order to satisfy all the intended learning outcomes.

CLASSROOM ETHICS & COURSE POLICIES

Being respectful of others' opinions, values and culture

Cell phones are only permitted when the usage is related to the course. Absolutely **NO TEXTING** during class will be tolerated. If you have an emergency situation and you must be able to be reached, set the phone to vibrate and leave the room immediately when it goes off.

Any student with a documented disability needing academic adjustments or accommodations should notify the instructor or the program administrator before the start of the program, so such an arrangement will be made accordingly.

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Any student who anticipates a schedule conflict because of religious reasons should make arrangements within two weeks of the start of class.

Academic misconduct

Please follow the guideline of the university policy. Academic dishonesty or misconduct will not be tolerated and may result in disciplinary action including a grade F for the course. Work submitted must be the original work of the student. Original work may include the words and ideas of others, but the source of these words and ideas must be indicated in a manner consistent with an academically recognized form, style, and citation manual. Resubmission of work previously presented in another course is prohibited.

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