



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Financial Markets and Institutions	

Annotation
<p>The course is designed for the undergraduates, who, in theory and in practice, are able to analyse the functioning of the financial system, the financial system functions and the structure of the instruments of securities market. Theoretical studies investigate the currency market, exchange rate risk, delves into the instruments of credit markets and precious metals market as well as regulation and evaluation indicators of financial institutions. Much attention is focused on development of personal skills and subject-specific skills so that students would be able to collect, analyse and organise data for financial institutions, important operating problems of financial institutions, and provide solutions; would be able to analyse and predict indicators of financial market, applying financial and statistical analysis and knowledge of econometric methods; to calculate currency cross-rates, currency risk when purchasing and selling currency, set up cross-exchange rate, the currency risk; carry out analysis of financial institutions and regulatory indicators for assessing global and national contexts. Individual work of students: 1) analysis the major scientific literature, financial institutions and structured reports of new knowledge while preparing the paper, for individual task, examination; 2) analysis of a selected theme, conducted case study to explore, diagnose the currency markets, to assess the exchange rate risk, the instruments of the credit market, precious metals market or financial institutions following the problems of regulation and assessment indicators. To perform the research on the theme, offering recommendations, preparing the study presentation. The course ends with an examination in which students analyse the characteristics and demonstrates the acquired skills. The set of study materials and methodological tools in the virtual Moodle teaching environment is adapted for studies at a mixed distance, in combination with studies in the classroom or in the virtual <i>MS Teams</i> environment. During the practical classes, scientific literature relevant n practice of financial markets is presented and discussed, and financial institutions of the cases summarised, problematic issues are discussed, students carry out tests, simulated situations, provide solutions.</p>

Study cycle	Type of the course unit
Coordinator: prof. dr. Diana Cibulskienė Other(s):	Šiauliai Academy

Study cycle	Type of the course unit (module)
First	Obligatory

Mode of delivery	Semester or period when the course unit (module) is delivered	Language(s) of instruction
Mix-learning	Autumn	English

Requisites	
Co-requisites (if relevant): to have basic knowledge in finance and statistics	Additional requirements (if any):

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
5	133	53	81

Purpose of the course unit (module)
<p>To know the essential theories of financial markets from a systemic point of view and in the context of advanced theories of financial science, to be able to evaluate the activities of financial institutions and their impact on the country's economy, to be able to identify existing problems in financial intermediation.</p>

Learning outcomes of the course unit (module)	Teaching and learning methods	Assessment methods
Will know the basic theories of financial markets in the context of advanced theories of financial science, understand the basic principles of financial markets and financial institutions and their impact on the country's economy.	Discussion, Literature analysis, Traditional lecture	Final Exam, Midterm-exam
Will be able to analyse the motives, functions and structure of the financial system, securities market instruments. Will be able to calculate currency cross rates, assess currency risk.	Case study (case studies), problem solving	Final Exam, Individual project
Will be able to evaluate credit market instruments, to analyse the regulation and evaluation of financial institutions, in the global and national context.	Case study (case studies), group work, practical tasks	Final Exam, Individual project
Will be able to analyse and forecast financial markets, applying financial and statistical analysis, econometric methods	Case study (case studies), group work, practical tasks	Individual project

Content	Contact hours								Individual work: time and assignments	
	Lectures / E-learning	Tutorials	Seminars	Workshops / E-learning	Laboratory work	Internship/work placement	E-learning	Contact hours, total	Individual work	Tasks for individual work
1. Financial system, its functions and participants	3			2				5	7	Reading of scientific literature. Preparation for the midterm exam and exam
2. Financial markets, their classification: securities market, currency market, credit market. Exchange rate quotes.	4			3				7	8	Preparation for discussions and calculations. Preparation for the midterm exam and exam
3. Financial instruments: shares, bonds, financial derivatives.	4			3				7	7	Searching for information on the Internet. Reading of scientific literature. Preparation for the midterm exam and exam
4. Classification of financial institutions: depository and non - depository. Financial institutions acting as financial intermediaries.	4			3				7	7	Preparation for discussions, case studies, calculations. Preparation for the midterm exam and exam.
Midterm-Exam		1		1				2		
5. Global, regional and national financial institutions. IMF and World Bank. Central banks and their functions: Federal Reserve Bank, European Central Bank. Lithuanian bank etc.	3			2				5	7	Searching for information on the Internet. Reading of scientific literature. Preparation for the exam
6. Depository institutions: commercial banks, credit unions	3			3				6	7	Searching for information on the Internet. Reading of scientific literature.

										Preparation for the exam
7. Non - depository financial institutions: contractual and investment. Insurance companies. Pension funds. Investment companies. Investment funds.	4			3				7	7	Preparation for discussions and case studies. Preparation of individual project. Preparation for the exam
8. Alternative markets for financial markets. Financial crises and their causes.	2			2				4	7	Preparation for discussions and case studies. Preparation of individual project. Preparation for the exam
Exam		1		1				2		
Individual project		1						1	24	Preparation of individual project
Total	27	3		23				53	81	

Assessment strategy	Weight, %	Deadline	Assessment criteria
Midterm Exam	20	Middle of Semester	Assessment of the control work is evaluated on a ten-point scale. The test consists of 10 tasks: 1 point is awarded for all tasks. The maximum possible score for an individual task is awarded if all the submitted tasks are calculated correctly and the results obtained are substantiated.
Individual project	30	End of Semester	<p>Individual project is rated on a ten-point scale. Assessment consists of 20% assessment of oral presentation and 80% assessment of individual written project.</p> <p>Evaluation criteria for the presentation of the results of the written work:</p> <p>9-10: clear, coherent presentation consistent with the stated purpose of the study; formulated and grounded idea; consistent and extensive analysis and interpretation of results;</p> <p>7-8: the presentation only partially meets the stated purpose of the research; the analysis is inconsistent, superficial, or episodically strayed from the main research problem; no interpretation of research results is provided;</p> <p>5-6: an unclear presentation that does not meet the set goal; the analysis is superficial and does not correspond to the main research problem or the analysis is almost non-existent;</p> <p>0-4: does not meet minimum requirements or delivery is not ready.</p> <p>Criteria for evaluating the text/content of a written work:</p> <p>Structure and scope of the project (30%): the structure of the work is clear and logical, contains all the necessary parts (introduction, where the topic, goals, objectives, methods, empirical material; presentation, where the analysis and interpretation of empirical material is presented; conclusions): research report is of adequate scope and contains all the necessary parts 9-10 points; the research report is of adequate scope and does not contain all the necessary parts 7-8 points; the work is of inadequate scope and does not have all the necessary parts 5-6 points; if the study report does not meet the minimum requirements or the report is not prepared, 0-4 points are awarded.</p> <p>Analysis and conclusions (50%):</p>

			<p>9-10 points: the research not only establishes the current situation, but also performs a detailed causal analysis. The obtained research results are analysed with arguments. Various statistical-mathematical methods are used for calculations. Conclusions are specific, conceptual, derived from the research results. Proposals based on research. The conclusions and suggestions are reasonable.</p> <p>If the analysis is performed but not complete, the conclusions are not always substantiated, 7-8 points are evaluated, 5-6 points are awarded for superficial analysis; if the research report does not meet the minimum requirements or the report is not prepared, 1-4 points are awarded.</p> <p>Scientific style and research culture (20%): sources and citations are treated appropriately; the wording and style meet the requirements of the scientific work.</p> <p>Individual project is not submitted - 0 points.</p>
Final Exam	50	End of Semester	<p>The exam consists of a 20-question test. The score depends on the number of correct answers. The value of each correct answer is 0.5 points. To get a minimum score, you need to answer 10 questions out of 20 correctly. The test is rated on a ten-point scale.</p>

Author (s)	Publishing year	Title	Issue of a periodical or volume of a publication	Publishing house or internet site
Required reading				
J. Madura	2012	Financial Markets and Institutions. 11 th Edition		Cengage Learning
F. S. Mishkin, S.G. Eakins	2018	Financial Markets and Institutions. 9 th Edition		Prentice Hall, Pearson Education
Recommended reading				
World Bank		Website: https://www.worldbank.org/en/home		
European Central Bank		Website: https://www.ecb.europa.eu/home/html/index.en.html		
New York Stock Exchange Market		Website: https://www.nyse.com/index		
Deutsche Boerse		Website: https://www.deutsche-boerse.com/dbg-en/		