

**ASSUMPTION UNIVERSITY
MARTIN DE TOURS SCHOOL OF MANAGEMENT AND ECONOMICS
DEPARTMENT OF FINANCE AND BANKING
COURSE SYLLABUS (SEMESTER 2/2011)**

Martin de Tours School of Management and Economics' Vision and Mission

Vision:

To be the leading international business school in the ASEAN region providing high quality business education to enable graduates to make invaluable contributions to organization and society.

Mission:

To shape our students into independent-minded graduates who are well-versed in business, able to communicate effectively, tech savvy, innovative, and ethical to successfully face global challenges.

COURSE TITLE : FIN3712 MONEY AND CAPITAL MARKETS

PRE-REQUISITE : FIN2700 MONEY, BANKING AND FINANCIAL MARKETS

LECTURER : Dr. Malinee Ronapat

COURSE DESCRIPTION

The course aims at introducing the structure characteristics of these markets, operations of the markets and their roles in the financial environment. This includes the instruments, the market participants and the institutions that facilitate the flow of funds through the markets. Interest rates and how they behave with changing market conditions are also examined in the course.

COURSE OBJECTIVES

The students will be able to

- Explain the terminology and characteristics of different financial markets, assets belong in each market as well as the financial institutions
- Discuss the purposes and uses of each markets and instruments
- Analyze the changes in flow of funds, values and prices of the financial instruments in respect to the changes in interest rates and market conditions
- Give advises to market participants based on the financial theories and research studied

TEXT BOOK

Money and Capital Markets: Financial Institutions and Instruments in a Global Marketplace (Ninth Edition), Peter S. Rose and Milton H. Marquis, McGraw-Hill International Edition. ISBN 0-07-111639-7

MARK ALLOCATION* AND EXAM DATES
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	Duration	Allocation	Date	Time
Exam 1 (Suvarnabhumi)	60 mins	7.5%	January 7 th 2012	9:00-10:00
Exam 2 (Midterm)	120 mins	30%	January 19 th 2012	9:00-11:00
Exam 3 (Suvarnabhumi)	60 mins	7.5%	March 10 th 2012	9:00-10:00
Exam 4 (Final)	180 mins	40%	March 23 th 2012	13:00-16:00
Assignments and Presentation		<u>15%</u>		
Total		<u>100%</u>		

Notes:

- *See also classroom policies
- No time conflict quizzes are allowed

ASSIGNMENTS

Topics

- Financial Systems and Interest Rates/ Money Market and Stock Market
- Financial Institutions and Central Banks/Loans and Interest Rates
- Etc. such as current issues in money and capital markets.

2011/12	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Nov	28	29	30				
Dec				1	2	3	4
	5	6	7	8	9	10	11
	12	13	14	15	16	17	18
	19	20	21	22	23	24	25
	26	27	28	29	30	31	
Jan							1
	2	3	4	5	6	7	8
	9	10	11	12	13	14	15
	16	17	18	19	20	21	22
	23	24	25	26	27	28	29
	30	31					
Feb			1	2	3	4	5
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	27	28	29				
Mar				1	2	3	4
	5	6	7	8	9	10	11
	12	13	14	15	16	17	18
	19	20	21	22	23	24	25
	26	27	28	29	30	31	

*Highlighted dates are important days for students.

Notes:

- Financial calculators are **NOT** allowed.
- Students have to check times and dates of exams to avoid conflicts and chaos.
- Students are not permitted to all exams 10 minutes after exams start.

COURSE SCHEDULES			
Lesson(s)	Chapter(s)	Topic(s)	Period(s)
Lesson I: Financial Systems and its link to financial assets, money markets, capital markets and information.	1, 2	Functions and Roles of the Financial Systems in the Global Economy Financial Assets, Money, Financial Transactions, and Financial Institutions	1.5
	3, 4	The Financial Information Marketplace and The Future of the Financial Systems and the Money and Capital Markets	1.5
Lesson II: Determinants of Interest Rates and their link to asset prices	5	The Determinants of Interest Rates	1.5
	6	Measuring and Calculating Interest Rates and Financial Asset Prices	1.5
	7	Inflation and Deflation, Yield Curves, Duration and its impacts on Interest rates and Asset Prices	1.5
	8	The Risk Structure of Interest Rates	1.5
Exam 1 (Quiz I)			
Lesson III: Money Markets, their roles and members	10	Introduction to the Money Markets	1.5
	11	Commercial Banks, Major Corporations in the Money markets	1.5
Lesson IV: Capital Markets	20	The Market for Corporate Stocks	3
Exam 2 (Midterm Exam)			
Lesson V: Financial Institutions, their components and regulations	14, 15	The Commercial Banking Industry: Structure, Products and Management Non-bank Thrift Institutions: Savings and Loans, Saving Banks, Credit Unions, and Money market Funds	1.5
	16	Mutual Funds, Insurance Companies, Investment Banks, and other Financial Firms	1.5
	17	Regulation of the Financial Institutions Sector	1.5
Lesson VI: Central Bank policies, rules and controls	18	Federal, State, and Local Governments Operating in the Financial Markets	1.5
	12	Roles and Services of the Federal Reserve and Other Central Banks around the World	1.5
Exam 3 (Quiz II)			
Lesson VII: Debt Instruments: Personal Borrowing and Business Borrowing	19	Business Borrowing: Corporate bonds, bank loans and other forms of debts	1.5
	21, 22	Consumer lending/borrowing and the residential mortgage market	1.5
Lesson VIII: International Financial Transactions	23	International Transactions and Currency	1.5
	24	International Banking	1.5
Exam 4 (Final Exam)			

Classroom Policies

- **Students need to comply with AU Dress Code, Time Conflict Examination Regulations, Laws on Smoking Cigarette, and Restrictions on Foods and Drinks V10.1, June 2010.**
- **Attendance policies:**
 - 2 times of ten-minute late for class considered as 1 absence.
 - Make-up classes are not allowed.
 - 80% attendance is strictly required regardless of any reason.
 - No checking attendance for other classmates. Violation of the policies will result in being automatically withdrawn from the class.
 - Attendance is counted since the first day of class regardless of any reason.
- **Manner in class:**
 - Behave in a polite manner
 - Pay respect to instructors and class participants
 - Turn off all communication devices
 - Do not leave and re-enter the classroom
 - Prohibited manners: Eating, drinking, chatting, talking on the phone, text-messaging, sleeping, reading other materials, doing other subjects' assignments/homework, walking in-out, etc.
 - Improper behavior will result in no attendance checked.
- **Dress code:**
 - Follow AU dress code
 - Improper dress code will result in no attendance checked.
- **Class assignments (Homework, reports, project, presentation, paper, etc.):**
 - No Plagiarism.
 - The students copying works from all sources will be penalized – “Zero” marks or “F” grade.
 - Hand in all class assignment on time, both soft copy and hard copy.
 - **Late submission will NOT be graded.**
- **Class participation:**
 - Be participative and attentive in class
 - The students are also required to comply with all classroom policies.
 - Violation of the classroom policies will result in “zero” or “negative” participation marks and/or no attendance checked.
- **Request for make-up quizzes (if applicable):**
 - The students requesting for the make-up quizzes need to submit their names with valid evidence (ABAC related issues only) to the respective lecturer within the specified dates.
 - Late submission will NOT be allowed to take the make-up quizzes.
- **Grade inquiry:**
 - The students can request for a review for their marks or grades.
 - The students need to submit petition to the respective Chairperson at D6 or MSM2 within 2 weeks after their marks or grades have been officially announced. Petition submitted after the specified period will NOT be considered.
 - **Reevaluation process:** The students' class assignments or exam answer scripts will be reevaluated by the internal committees assigned by the respective department. Please note that the students' marks may or may not be adjusted after the reevaluation process and it is considered as a “final consensus” between the students and the committees.

**February 27, 2012 (Monday) : Last day to withdraw with “W”
(Withdrawing after this date, the students need a chairperson's approval.)**