

## Liverpool John Moores University

Title: FINANCIAL INSTITUTIONS, MARKETS & RISK  
Status: Definitive  
Code: **5504SERBS** (118192)  
Version Start Date: 01-08-2018

Owning School/Faculty: Academic Portfolio  
Teaching School/Faculty: South Eastern Regional College

Team	Leader
Karl Harper	Y

**Academic Level:** FHEQ5      **Credit Value:** 24      **Total Delivered Hours:** 80  
**Total Learning Hours:** 240      **Private Study:** 160

### Delivery Options

Course typically offered: Standard Year Long

Component	Contact Hours
Lecture	26
Tutorial	52

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	Exam.	Students will be asked to answer ANY THREE questions out of six.	75	2
Report	Report	Individual written report of 2,000 words critically evaluating developments in the monetary and financial system throughout the year, supported by a diary of major events and changes in economic indicators such as inflation, interest rates, exchange rates, housing prices etc.	25	

## Aims

To provide students with:

1. a critical understanding of the international monetary system – the money supply, inflation, determinants of interest rates and exchange rates and its management.
2. a critical understanding of the international financial system – the role, risks and regulation of financial institutions, financial instruments and financial markets.
3. the ability to critically evaluate the role of financial institutions, markets and regulators in an increasingly volatile global market.
4. an opportunity to evaluate the impact of major economic events/developments in the monetary and financial system.

## Learning Outcomes

After completing the module the student should be able to:

- 1 Analyse and evaluate the role and management of the monetary system and financial institutions in the ever changing environment.
- 2 Evaluate the role of international financial markets in providing finance, liquidity and the ability to manage financial risk.
- 3 Assess the efficiency of financial markets and the implications of market efficiency.
- 4 Evaluate the strategic and financial risk management issues/techniques currently facing the financial services sector and the economy as a whole.
- 5 Critically evaluate the international regulatory regime and the need for regulating the financial system.
- 6 Critically evaluating developments in the monetary and financial system, supported by a diary of major events and changes in economic indicators such as inflation, interest rates, exchange rates, housing prices etc.

## Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

Examination	1	2	3	4	5
Report	6				

## Outline Syllabus

*Section A: The Monetary and Financial System:*

1. *The Monetary System – The Money Supply, Inflation, Interest Rates and Exchange Rates;*
2. *The Financial System - Financial Institutions, Financial Markets & Financial Intermediation;*
3. *Financial Instruments and Securitisation.*

*Section B: Financial Institutions – Role, Risks and Regulation:*

4. *The Role of the Central Bank and Management of the Monetary System;*
5. *Retail, Wholesale & International Banks;*

6. *The Bank's Balance Sheet;*
7. *Bank Financial Risk Management;*
8. *Regulating the Financial System to Control Risk;*
9. *The Banking Crisis;*
10. *Savings & Investment Institutions;*
11. *Insurance & Pensions;*
12. *Finance Providers - Factoring, Leasing, etc.*

*Section C: Financial Markets – Role, Features, Instruments & Risk Management:*

13. *Money Markets – Domestic & International;*
14. *The Stock Exchange;*
15. *Bond Markets – Domestic & International;*
16. *The Foreign Exchange Market;*
17. *Derivative Markets;*
18. *Financial Markets & Market Efficiency.*

## **Learning Activities**

Formal lectures and tutorials.

## **Notes**

The module is designed to provide students with a critical understanding of international monetary and financial systems.

**EXAMINATION:-** The examination is the terminal summative assessment. It will be largely theory and knowledge based to ensure that students have acquired an overall understanding of the areas covered.

**COURSEWORK:-** This will provide an opportunity for students to study and evaluate the monetary and financial systems throughout the year and to evaluate the impact on companies, individuals and the economy.

The module is fully supported by Blackboard which includes, lecture notes, tutorial questions & solutions, past examination papers & marking schemes and appropriate internet links and readings.