

Liverpool John Moores University

Title: Financial Markets and Institutions
Status: Definitive
Code: **7002LBSIF** (128052)
Version Start Date: 01-08-2021

Owning School/Faculty: Business and Management
Teaching School/Faculty: Business and Management

Team	Leader
Nedal Sawan	Y

Academic Level: FHEQ7
Credit Value: 20
Total Delivered Hours: 33
Total Learning Hours: 200
Private Study: 167

Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	11
Workshop	22

Grading Basis: 50 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Portfolio	Port	A single portfolio assessment allowing for the testing of an amalgam of specific academic skills across the learning outcomes.	100	

Aims

The aim of this module is to examine and understand the key financial and economic concepts and core characterisations of financial markets and institutions. Students will be provided with a traditional lens with which to evaluate financial markets, thus building a robust understanding of the behaviour of the financial and economic environment.

Learning Outcomes

After completing the module the student should be able to:

- 1 Critically examine contemporary issues within financial institutions and markets.
- 2 Research, identify and critically assess the management, regulation and organisation of financial institutions and markets.
- 3 Critically analyse the effects of central monetary policy on the financial system.
- 4 Critically evaluate the causes and implications of exogenous shocks to the financial system.

Learning Outcomes of Assessments

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

A single portfolio assessment	1	2	3	4
-------------------------------	---	---	---	---

Outline Syllabus

Financial institutions and markets – debt markets, equity markets, market microstructure (stock and bond issuance, financial exchanges).

Interest rates – theory of asset demand, risk structure of interest rates, term structure of interest rates (interest rate determination, interest rate risk).

Central monetary authorities – monetary policy, central banks (reserve management, monetary transmission mechanisms, quantitative easing).

Banking sector – the role and trajectory of the banking sector, management of banks (banking operations, asset management, capital management, liquidity management).

International finance – foreign exchange markets, conditions of the foreign exchange markets (arbitrage, purchasing power parity, interest rate parity).

Regulation of the financial system – financial crises, implications of regulation (government safety nets, over- and under- regulation, developed and developing nation financial crises).

Alternative financial systems – Islamic banking and finance (financial engineering, governance and regulation).

Learning Activities

The module will be delivered by a combined weekly one hour lecture and two hour workshop. Students will engage in critical discussions of the presented topics in order to develop their ability to theorise and evaluate.

Notes

This module will give students the necessary knowledge to undertake an evaluation of a financial system. It is largely theory driven but the extant theoretical lenses will be given real world contextualisations.