

## NATIONAL UNIVERSITY OF SINGAPORE

Department of Finance

### FIN3703A: Financial Markets

Course Outline (Semester 1, AY2022/2023; *tentative*)

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### Consultation Hours

By appointment only. Please check the available appointment slots on LumiNUS Consultation.

### Class Arrangement

The class will be arranged according to the policies and arrangements of NUS and NUS Business School.

### Course Objectives

The objective of this course is to give students a general understanding of the different financial markets and institutions in the context of both the U.S. and Singapore. The financial assets traded in these markets, the financial services and instruments these institutions offer, and the mechanisms and characteristics influencing the value of these assets and instruments will also be discussed.

### Prerequisites

Finance (FIN2004/FIN2704/FIN2004X/FIN2704X)

### Textbook

- *Recommended:* YEO, Wee Yong (2019), "Financial Institutions and Markets: with a Singapore Perspective" 1<sup>st</sup> edition, Pearson Education.
- *Supplementary:* MISHKIN, Frederic S. and Stanley G. EAKINS (2018), "Financial Markets and Institutions" 9<sup>th</sup> edition, Pearson Education.

Topic	Chapters in Yeo (2019)	Chapters in Mishkin & Eakins (2018)
Introduction	1	1, 2
Financial Institutions	2	7-8, 20-22
Banks and Risk Management	3	9, 17-19, 23
Interest Rates and the Debt Market	4	3-5, 11-12
The Equity Market	5	13
The Foreign Exchange Market	6	15-16
The Derivatives Market	7	24

### Stay up-to-date

Students are encouraged to follow financial and economic news covered in the Financial Times, the Wall Street Journal, the Economist, or the Business section of the Straits Times. NUS Libraries online portal provides access to paywalled articles in many newspapers ([link](#)).

**Assessment: This is a 100% continuous-assessment (CA) course**  
(*subject to change*)

Class Participation	10
Term Test I	30
Term Test II	20
Individual Tasks	10
Group Tasks	10
Group Project	20
<b>Total</b>	<b>100</b>

#### 1) Class Participation

Students are expected to participate actively during classes. Marks will be awarded not based on quantity but how much one contributes to the learning of the class. Contributions on LumiNUS Forum will also be rewarded with participation marks.

#### 2) Term Test 1

Date: **Week 7 (Friday evening, TBC)**

This term test will cover topics taught up to Week 7. Students are to make sure that they are available to sit for the test.

#### 3) Term Test 2

Date: **Week 12 (Friday evening, TBC)**

This term test will cover topics from Week 8 onwards. Students are to make sure that they are available to sit for the test.

#### 4) Individual Tasks

Weekly individual tasks, in the form of either a LumiNUS quiz or a short individual assignment, are designed to engage student. They will be assigned after each week's class.

#### 5) Group Tasks

The group-based mini tasks are designed to encourage peer learning and to engage the students through the semester. Every group will be assigned 3 or 4 mini tasks during the semester.

#### 6) Group Project

This project is group based. The objective of the project is to allow students to research into issues and questions related to the topics covered in the module and to share the knowledge they have acquired with the rest of the class. The project consists of a written report and a presentation.

### Academic Honesty & Plagiarism

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is “the practice of taking someone else's work or ideas and passing them off as one's own” (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule – You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Additional guidance is available at:

<http://nus.edu.sg/osa/resources/code-of-student-conduct>

Online Module on Plagiarism: <http://emodule.nus.edu.sg/ac/launch.htm>.

### Lesson Schedule (Tentative)

Week	Topic and Activity	Chapters in Yeo	Deliverables
1	Introduction and Financial Institutions I	1 and 2	
2	Introduction and Financial Institutions I	1 and 2	
3	Financial Institutions II: Banks	3	Grouping
4	Financial Institutions II: Banks	3	
5	Interest Rates and the Debt Market	4	
6	Interest Rates and the Debt Market Equity Market	4 and 5	
<i>Term Break</i>			
7	<i>Term Test I (Friday evening, TBC)</i>		
8	Equity Market	5	
9	The Forex Market	6	Project Report
10	The Forex Market	6	
11	The Derivatives Market	7	
12	<i>Term Test II (Friday evening, TBC)</i>		
13	<i>Project Presentation</i>		