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| 1. Course code:
 |  221 | 1. Course title:
 | Financial Markets and Institutions |
| 1. Department: Economics and Finance
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| 1. Program: B.Sc. in Banking & Finance, Accounting, Management, Marketing & Islamic Banking
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| 1. Course credits: 3-credit hour
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| 1. Course NQF Level: 6-7-8
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| 1. NQF Credits:
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| 1. Prerequisite: ECON 141 & FIN 220
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| 1. Lectures Timing & Location: Online
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| 1. Course web page:
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| 1. Course Instructor: Dr. Rabab Hasan
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| 1. Office Hours and Location: online
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| 1. Course coordinator: Dr. Rabab Hasan
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| 1. Academic year: 2020-2021
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| 1. Semester:
 |  | First | X | Second |  | Summer |
| 1. Textbook: Anthony Saunders and Marcia Cornett (2019), Financial Markets and Institutions, 7th Edition, McGraw-Hill (ISBN: 9781259919718)
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| 1. References from the Library (http://www.ac-knowledge.net/uobv3/1)
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| 1. Other learning resources used (e.g., e-Learning, field visits, periodicals, software, etc.):

The Wall Street Journal (www.wsj.com)Financial Times (www.ft.com)Central Bank of Bahrain (https://www.cbb.gov.bh)Investopedia (https://www.investopedia.com)Blackboard ([www.bb.uob.edu.bh)](http://www.bb.uob.edu.bh))University Library Resources (http://libwebserver.uob.edu.bh/en/) |
| 1. Course description (as per the published):

 Introductory analysis of financial intermediation; the flow of funds in the economy of interest rates, money and capital markets, commercial banking, thrift institutions, savings bank, credit unions and money market funds, and many other financial intermediaries including brokers and dealers. |
| 1. Course Intended Learning Outcomes (CILOs):
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| CILOs | *Mapping to PILOs* |
| Learning goals | a. Knowledge | b. Globalization | c. Skills | d. Communication | e. Competencies | f. Values |
|  | a1: General Knowledge | a2: Specific knowledge | b1: International cross-cultural | b2: Global Perspective | c1: Thinking skills | c2: Analytical skills | d1: Communication (Writing) | d2: Communication (Oral) | e1: Leadership skills | e2: Teamwork | f1: Ethics | f2: Social responsibility |
| 1. Understand and be able to explain principles of the financial system | ✓ |  |  |  |  |  |  |  |  |  |  |  |
| 2. Identify how an interest rate movement affects the prices of assets and liabilities of investors and financial institutions. |  |  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |   |  |
| 3. Develop idea on how money markets and capital markets work, types of instruments traded and the major participants of these markets. |  |  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |
| 4. Describes the nature of the most important markets for financial derivatives: forwards and futures market, swaps and options market. |  |  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |
| 5. Describe the functions of various types of investment funds and similar investment vehicles. |  |  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |  |  |

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| 1. Course assessment:
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| *Assessment Type* | *Details/ Explanation of Assessment in relation to CILOs* | *Number* | *Weight* | *Date (s)* |
| Continuous Assessment (2-hour) | **1, 2 , 3, 4 & 5** |  | 15% | Weeks 1-15 |
| Engagement Activities (1-hour) | **1, 2, 3, 4 & 5** |  | 15% | Weeks 1-15 |
| Midterm Examination (Respondus) | **1, 2, 3** | 1 | 30% | TBA |
| Final Examination(Respondus) | **2, 3, 4 & 5** | 1 | 40% | 03/06/2021 |
| Total |  |  | 100% |  |

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| 1. Description of Topics Covered
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| *Topic Title* *(e.g., chapter/experiment title)* | *Description* |
| Chapter 1: Introduction | The chapter describes the role of financial systems. It explains the financial arrangements of bringing the suppliers of funds and the users of funds together in markets directly or indirectly. It outlines the differences between primary and secondary markets, money and capital markets. It describes the types of financial institutions, the services they provide and the risks they face.  |
| Chapter 2: Determinants of Interest Rates | The chapter explains the factors that cause interest rates to rise and fall. It discusses equilibrium interest rates and theories explaining the term structure of interest rates Highlight the effect of inflation on the level of interest rates. Describe how investors and financial institutions forecast interest rate movements. |
| Chapter 3: Interest Rates and Security Valuation | The chapter discusses the differences in the required rate of return, expected rate of return and realized rate of return. It explains to calculate bond, equity values and duration It describes the effect of maturity and coupon rate affect security sensitivity to interest rate.  |
| Chapter 5: Money Markets | The chapter defines money markets and outlines how it works and its use by participants of the financial system. It discusses money market securities and issuances process.  |
| Chapter 6: Bond Markets | The chapter outlines the role and function of capital markets. It Explains different alternatives offered to investors through TIPS or STRIP. It discusses the difference between Municipal Bonds market and Corporate bonds market and instruments traded in each market. |
| Chapter 8: Stock Markets  | The chapter outlines the characteristics and issuance process of common and preferred stocks. It explains stock markets trades, indexes, and participants.  |
| Chapter 10: Derivative Securities Market | The chapter describes the nature of the most important markets for financial derivatives: forwards and futures market, swaps and options market |
| Chapter 11: Commercial Bank  | The chapter defines commercial banks, their main assets, liabilities, and off-balance sheet items. It discusses methods to evaluate the performance of commercial banks. It outlines the main regulators.  |
| Chapter 17: Investment Companies | The chapter outlines the mutual fund industry. It details the difference types of mutual funds. It explains how to calculate the net asset value and the return on mutual funds.  |

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| 1. Weekly Schedule
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| *Week* | *Date* | *Topics covered* | *CILOs* | *Teaching Method* | *Assessment* |
| *1* | *7 Feb 2021* | **Chapter 1:** Introduction | 1,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *2* | *14 Feb 2021* | **Chapter 2** Determinants of Interest Rates | 1,2 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *3* | *21 Feb 2021* | **Chapter 2** Determinants of Interest Rates (Cont’d.) | 1,2 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *4* | *28 Feb 2021* | **Chapter 3:** Interest Rates and Security Valuation | 2 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *5* | *7 Mar 2021* | **Chapter 3:** Interest Rates and Security Valuation (Cont’d.) | 2 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *6* | *14 Mar 2021* | **Chapter 5**: Money Markets | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *7* | *21 Mar 2021* | **Chapter 5**: Money Markets (Cont’d.) | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesMidterm Examination |
| *1-hour lecture* |
| *8* | *28 Mar 2021* | **Chapter 6:** Bond Markets | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *9* | Mid Semester Break |
| *10* | *11 April 2021* | **Chapter 6:** Bond Markets (Cont’d.) | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *11* | *18 April 2021* | **Chapter 8:** Stock Markets | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *12* | *25 April 2021* | **Chapter 8:** Stock Markets (Cont’d.) | 2,3 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *13* |  *2 May 2021* | **Chapter 10:** Derivative Securities Market | 4,5 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *14* | *9 May 2021* | **Chapter 11:** Commercial Banks | 4 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *15* | *16 May 2021* | **Chapter 17**: Investment Companies  | 5 | *2-hour lecture:* | Continuous AssessmentEngagement ActivitiesFinal Examination |
| *1-hour lecture* |
| *16* | 23 *May* 2021 | Revision |  |  |  |