Financial Markets and Institutions - FINA 5435

Course Description:
The role of the US financial markets and institutions in the global economy is examined through both classroom lecture and the actual touring of the Nations key financial markets and institutions for a once in a lifetime hands on experience.

Required Materials:
Text: Financial Markets and Institutions, By Anthony Saunders and Marcia Millon Cornett - Current Edition

Prerequisites:
Graduate standing

Learning Objectives
By the end of this course, students will be able to:
1. Understand the role and purpose of financial markets and institutions in society
2. Explain evolution of financial market regulation and current trends
3. Discuss the similarities, differences, advantages, and disadvantages of various types of financial organizations
4. Describe the global impact of central banking principles and monetary policy on financial institutions and markets
5. Understand the role of market regulatory agencies in the function of an orderly market
6. Understand the role of the national auction markets in price discovery of financial assets and derivatives

Relationship to Other Coursework:
This course exposes the student to the major financial markets and institutions and the operations of these markets and institutions.

Recommended or Supplemental Reading:
Students are responsible for checking updated materials posted on BlackBoard and at the professor’s website http://faculty.tamucc.edu/sfriday/wordpress/

Important Notice:
Courses may require the use of exam-proctoring involving third party charges. Exam-proctoring charges may range from $1 - $50.00 per exam. Students may be required to schedule exams at least 24 hours in advance or incur late scheduling charges. All costs for exams are the responsibility of the student. Students may also be responsible for providing webcams to be used in test proctoring.
State Adopted Proficiencies/TExES competencies (COE)

Academic Integrity/Plagiarism:
University students are expected to conduct themselves in accordance with the highest standards of academic honesty. Academic misconduct for which a student is subject to penalty includes all forms of cheating, such as illicit possession of examinations or examination materials, falsification, forgery, complicity or plagiarism. (Plagiarism is the presentation of the work of another as one’s own work.) In this class, academic misconduct or complicity in an act of academic misconduct on an assignment or test will result in FAILURE and Censure.

This course, and all other courses offered by the College of Business (COB), requires all of its students to abide by the COB Student Code of Ethics (available online at www.cob.tamucc.edu). Provisions and stipulations in the code are applicable to all students taking College of Business courses regardless of whether or not they are pursuing a degree awarded by the COB.

Dropping a Class:
I hope that you never find it necessary to drop this or any other class. However, events can sometimes occur that make dropping a course necessary or wise. Please consult with me before you decide to drop to be sure it is the best thing to do. Should dropping the course be the best course of action, you must initiate the process to drop the course by going to the Student Services Center and filling out a course drop form. Just stopping attendance and participation WILL NOT automatically result in your being dropped from the class. November 11, 2016 is the last day to drop a class with an automatic grade of “W” this term.

Preferred methods of scholarly citations - APA/MLA

Classroom/professional behavior:
Texas A&M University-Corpus Christi, as an academic community, requires that each individual respect the needs of others to study and learn in a peaceful atmosphere. Under Article III of the Student Code of Conduct, classroom behavior that interferes with either (a) the instructor’s ability to conduct the class or (b) the ability of other students to profit from the instructional program may be considered a breach of the peace and is subject to disciplinary sanction outlined in article VII of the Student Code of Conduct. Students engaging in unacceptable behavior may be instructed to leave the classroom. This prohibition applies to all instructional forums, including classrooms, electronic classrooms, labs, discussion groups, field trips, etc.

Grade Appeals*:
As stated in University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures, a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see University Procedure 13.02.99.C2.01, Student Grade Appeal Procedures. These documents are available through the University Rules Web site at http://www.tamucc.edu/provost/university_rules/index.html. For assistance and/or guidance in the grade appeal process, students may contact the Dean’s office in the college in which the course is taught or the Office of the Provost.
Disabilities Accommodations*: The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please call or visit Disability Services at (361) 825-5816 in Corpus Christi Hall 116.

If you are a returning veteran and are experiencing cognitive and/or physical access issues in the classroom or on campus, please contact the Disability Services office for assistance at (361) 825-5816.

Statement of Academic Continuity: In the event of an unforeseen adverse event, such as a major hurricane and classes could not be held on the campus of Texas A&M University–Corpus Christi; this course would continue through the use of Blackboard and/or email. In addition, the syllabus and class activities may be modified to allow continuation of the course. Ideally, University facilities (i.e., emails, web sites, and Blackboard) will be operational within two days of the closing of the physical campus. However, students need to make certain that the course instructor has a primary and a secondary means of contacting each student.

Relationship to Other Coursework: This course provides an introduction to investment management issues, which complement the broader financial management issues discussed in FINA 5320. An understanding of the investment concepts is also useful for understanding related finance concepts including corporate finance, international finance, financial statement analysis and life in general.

Instructional Methodologies: Instructional techniques include lectures, student presentations, invited lectures, videotape, computer applications, class discussion, real-time securities trading, and use of electronic databases.

Performance Evaluation, Grading, and Course Policies: Student success in this course is a function of their willingness to work. Those students that take the initiative to attend class on a regular basis, do all required assignments, and study a reasonable length of time for exams will do very well.

The Course Grade is a Function of:

1. Exam 1 20%
2. Exam 2 20%
3. Exam 3 20%
4. Student Participation, Homework and Quizzes 15%
5. Written Project 25%

The standard alphabetical grading scale is employed where:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>90 – 100</td>
</tr>
<tr>
<td>B</td>
<td>80 – 89.9</td>
</tr>
<tr>
<td>C</td>
<td>70 – 79.9</td>
</tr>
<tr>
<td>D</td>
<td>60 – 69.9</td>
</tr>
<tr>
<td>F</td>
<td>0 – 59.9</td>
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</tbody>
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*If you have a disability requiring an accommodation, please contact Disability Services at (361) 825-5816.
Test dates are provided in the schedule below. No early or make-up exams are administered. If you miss an exam, notify me in advance and provide comprehensive documentation from the appropriate entity within one week of the exam that the absence was an excused University activity, severe illness, or emergency. If these conditions are met, you can take a cumulative final exam to replace the exam you missed. Otherwise, you receive a zero for the exam. Assignments are due at the beginning of the class on their due. Late assignments are penalized 20 percentage points for each day that they are late.

**Oral and Written Communication Requirements:**
Students are required to prepare formal written projects and oral presentations for the semester. Effective written communication is also necessary for exams. Students are expected to participate actively in class discussion of the topics and issues covered in the course, and will be rewarded though their class participation grade for doing so.

**Technological Applications:**
Students are required to use computer applications, computer databases, and online information services for this course. Written presentations must be prepared with word processing software and the use of computer graphics and computer-based visuals is encouraged. The semester project requires that students use computer databases and online information services.

**Ethical Perspectives:**
Securities analysis and trading may present ethical problems for both dealers and investors. While this course does not deal with securities law in depth, we will discuss such topics as insider trading, securities manipulation, and fiduciary responsibilities.

**Global Perspectives:**
International finance by definition a global activity. This course considers international diversification, foreign equity and debt and derivative securities markets, foreign currency trading, and international risk management.

**Political, Social, Legal, Regulatory, and Environmental Perspectives:**
The course will consider the structure and regulation of securities markets to include the SEC, CFTC, and NASD.

**Attendance Policy:**
Class attendance is mandatory and will be recorded. Students will be rewarded through their class participation score. Points will be deducted from the participation grade for every absence.

**Order of Topic Presentation:**
The course packet contains the articles to be reviewed and read for course presentation. The class may move at a faster or slower pace depending on how the presentations and discussion progress.

*Required by SACS or HB2504
**FINA 5345 Preliminary Schedule***

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>DESCRIPTION</th>
<th>COVERAGE</th>
<th>COMPLETION DATE</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>3</td>
<td>Wednesday, August 24, 16</td>
</tr>
<tr>
<td>4</td>
<td>The Federal Reserve System and Functions</td>
<td>3</td>
<td>Wednesday, August 31, 16</td>
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<tr>
<td>5</td>
<td>Money Markets</td>
<td>3</td>
<td>Wednesday, August 31, 16</td>
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<tr>
<td></td>
<td>Project Group Meeting Day</td>
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<td>Wednesday, September 7, 16</td>
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<tr>
<td>6</td>
<td>Bond Markets</td>
<td>2</td>
<td>Wednesday, September 14, 16</td>
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<tr>
<td>7</td>
<td>Mortgage Markets</td>
<td>2</td>
<td>Wednesday, September 14, 16</td>
</tr>
<tr>
<td>8</td>
<td>Stock Markets</td>
<td>2</td>
<td>Wednesday, September 14, 16</td>
</tr>
<tr>
<td>Exam 1</td>
<td>Chapters 1-7</td>
<td>2</td>
<td>Wednesday, September 21, 16</td>
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<td></td>
<td>Project Group Meeting Day</td>
<td></td>
<td>Wednesday, September 28, 16</td>
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<tr>
<td>9</td>
<td>Foreign Exchange Markets</td>
<td>3</td>
<td>Wednesday, October 5, 16</td>
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<td>10</td>
<td>Derivative Securities Markets</td>
<td>3</td>
<td>Wednesday, October 5, 16</td>
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<tr>
<td>11</td>
<td>Commercial Banks</td>
<td>2</td>
<td>Wednesday, October 12, 16</td>
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<tr>
<td>13</td>
<td>Regulation of Commercial Banks</td>
<td>2</td>
<td>Wednesday, October 12, 16</td>
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<td>14</td>
<td>Other Lending Institutions</td>
<td>2</td>
<td>Wednesday, October 12, 16</td>
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<tr>
<td>Exam 2</td>
<td>Chapters 8-13</td>
<td>2</td>
<td>Wednesday, October 19, 16</td>
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<td>Project Group Meeting Day</td>
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<td>Wednesday, October 26, 16</td>
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<tr>
<td>15</td>
<td>Insurance Companies</td>
<td>3</td>
<td>Wednesday, November 2, 16</td>
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<tr>
<td>16</td>
<td>Securities Firms and Investment Banks</td>
<td>3</td>
<td>Wednesday, November 2, 16</td>
</tr>
<tr>
<td>18</td>
<td>Investment Companies</td>
<td>3</td>
<td>Wednesday, November 9, 16</td>
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<tr>
<td>19</td>
<td>Pension Funds and Retirement Systems</td>
<td>3</td>
<td>Wednesday, November 9, 16</td>
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<tr>
<td>Exam 3</td>
<td>Chapters 14-19</td>
<td>2</td>
<td>Wednesday, November 16, 16</td>
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<td></td>
<td>Project Group Meeting Day</td>
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<td>Wednesday, November 30, 16</td>
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</tbody>
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**TOTAL CONTACT HOURS** 45

**Important Dates**

- Faculty Start Date: Monday, August 15, 16
- Classes begin: Wednesday, August 24, 16
- Last day to late register or add a class: Wednesday, August 31, 16
- Labor day Holiday: Monday, September 5, 16
- Last day to apply for December graduation: Monday, October 3, 16
- Last day to drop a class: Friday, November 11, 16
- Thanksgiving Holidays: November 24-25
- Last day to withdraw from the University: Monday, December 5, 16
- Reading Day: Wednesday, December 7, 16
- Final examinations: December 8-9 & 12-14
- Fall Commencement: Saturday, December 17, 16
- Fall grades due: Monday, December 19, 16