

Module EC5: Financial Markets				Study programme	MBA english
Modul type:	ECTS-Points:	Workload:	Study stage:	Module duration:	
Elective	1	30	3rd or 4th	4 sessions	
Course(s):			Contact hours:	Independent study-hours:	Planned groupsize (max.):
Course: Financial Markets			16	14	15
Intended Learning Outcomes:					
<p>After the attendance of this course, students are capable to</p> <ul style="list-style-type: none"> - describe national and international financial markets and institutions, their functioning as well as the basics of their regulation - differentiate between alternative forms of financing - analyse the link between the balance of payments and the demand as well as the supply of currencies which determine the exchange rate - explain the determinants of the exchange rate in the short and in the long run - understand the origins and outcomes of currency crises under fixed exchange rates - outline the current financial and European debt crisis and their effects on the Euro and the European Monetary Union. 					
Description / Contents:					
<p>This course blends theory, the analysis of data, examples and practical case situations to allow students to understand not only what to do when confronted with a (international) financial decision but why that decision is the right one.</p> <p>The course starts by looking at national and international financial markets and institutions, including the basics of regulation. Both bonds and stocks (debt and equity financing) can be issued by a firm or a government and sold to investors. These externally issued securities are often tradable in secondary markets. In contrast, loans are obtained from specialized financial intermediaries, typically commercial banks, and the lender monitors the financial behavior of the firm or the government to make sure he will get repaid. For all three types of external sources of funds one can tap either domestic or international markets.</p> <p>In the second part, it will be shown how the balance of payments and the demand as well as the supply of currencies that are traded in the foreign exchange markets interact and determine the exchange rate. Moreover, the origins and outcomes of currency crises under fixed exchange rate systems are analysed. Finally, the course focuses on current crises like the financial crisis of 2008/09 as well as the European debt crisis and its effects on the Euro and the European Monetary Union.</p>					

Basic literature:
Madura, J.: Financial Institutions and Markets, South-Western, Cengage Learning, 9 th edition, 2013.
Language:
Course is taught in English.
Teaching methods:
Interactive lectures, case studies, group work and self-study
Module applicability:
MBA „General Management“ - english
Pre-requisites/Requirements:
Admission to the MBA programme “General Management” - english
Examination Types:
Written examination or homework paper
Requirement for award of ECTS-points:
Successful participation in the exam.
Courseavailability:
Annually
Assessment:
The exam of this module counts for 4,5 per cent of the final examination
Modul convenor and main lecturer:
Prof. Dr. Dieter Smeets
Further information:
Material for the courses will be provided online before the courses start
Module Version:
1 August 2014