

FINANCIAL MARKETS & INSTITUTIONS

FIN218-102

Spring 2024

Instructor: Carolyn Wang, Ph.D.

Office: 4022 SOM **Phone:** 973-596-6286 (office)

Email: jw78@njit.edu (*the best way to contact me*)

Class Time & Location:

This course is hybrid course - one week is on campus and the next week is fully online

Meetings on campus held alternate weeks starting: 1/22/2024

Mondays 6:00 – 8:50 pm; KUPF 104

Office Hours on Webex: Tuesdays & Thursdays 5:30 pm – 6:30 pm or by appointment

Office Hours on Campus: Mondays & Wednesdays 2:30 pm – 4:00 pm or by appointment

Course Overview

This course provides an overview of the main features of financial markets and institutions in the United States, including interest rates and rates of return and how they are determined. It also covers the U.S. financial markets including bond, stock, and money market, and discusses how financial institutions, especially commercial banks work, along with the role of government in regulating financial markets and institutions.

Credits: 3 credits; Prerequisites: None; Technology: Excel & Bloomberg

Course Objectives

Upon completion of this course, you will be able to understand and enhance skills in the following areas:

Course Outcome	Program Goal	Program Outcome
<ul style="list-style-type: none"> Describe fundamental business concepts; 	LC 1 Develop an Understanding of Business Concepts and the Technical Knowledge to Solve Business Problems	LO 1.1 Our students will demonstrate the knowledge and application of business fundamentals
		LO 1.2 Our students will demonstrate the ability to solve business problems using current technology
<ul style="list-style-type: none"> Identify main function and importance of financial markets and institutions; 	LC 1 Develop an Understanding of Business Concepts and the Technical Knowledge to Solve Business Problems	LO 1.1 Our students will demonstrate the knowledge and application of business fundamentals
<ul style="list-style-type: none"> Present the news analysis related to a real business world; and 	LC 1 Develop an Understanding of Business Concepts and the Technical Knowledge to Solve Business Problems	LO 1.1 Our students will demonstrate the knowledge and application of business fundamentals
	LC 2 Develop Effective Communication Skills	LO 2.1 Our students will demonstrate the ability to deliver effective presentations enhanced by technology
	LC 3 Interact Effectively in Teams	LO 3.1 Our students will demonstrate the ability to understand and use team building behaviors to accomplish group tasks
<ul style="list-style-type: none"> Develop critical thinking of complex financial situation 	LG 4 - Develop Ethical Reasoning Skills	LO 1 - Our students will demonstrate the ability to identify ethical dilemmas and make decisions grounded in ethical principles

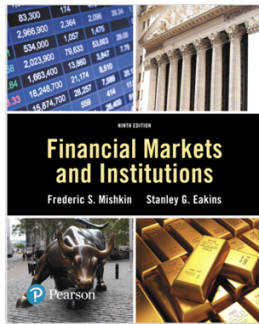
Textbook

Financial Markets and Institutions, Frederic Mishkin and Stanley Eakins, 9th Edition, Pearson 2018.

Textbook Web site: https://media.pearsoncmg.com/ph/bp/bp_mishkin_fmi_9/index.html

ISBN: 9780134519265, 0134519264

eText ISBN: 9780134448763, 0134448766



Supplemental Books:

Economics of Money, Banking and Financial Markets, 12th Edition (ISBN-13: 978-0134733821), by Frederic Mishkin, Pearson 2019.

Recommended Reading

Financial Times

The Wall Street Journal

MIT Sloan Management Review

Recommended Websites

Yahoo Finance

Google Finance

Bloomberg.com

Course Website

The Canvas site is where most course materials are posted. Make sure you have an NJIT UCID and password so that you are able to access Canvas. I will use Canvas to post announcements and learning materials throughout the semester. So, please be sure to check the site (canvas.njit.edu) frequently. Please contact helpdesk (973-596-2900) for problems associated with Canvas.

Since this is a hybrid course, you will have to take responsibility for spending the appropriate amount of time to learn the material and preparing for the class. *You should expect to spend at least 6 hours each week on the course.*

Course Deliverables/ Final Grade Components

Your grade for this course will be based on the following components:

Grading Items	Total
Unit Exams	27%
Presentation	15%
Lesson Quizzes	20%
Lesson Discussions	13%
Individual Assignments	10%
Week Review	10%
Class Activities/Attendance	5%
Total	100%
Bonus -Bloomberg Certificate	5%

The scale used for grading (**NO curve**) is as follows:

A	90% - 100%
B+	85% - 89%
B	80% - 84%
C+	75% - 79%
C	70% - 74%
D	60% - 69%
F	Below 60%

Attendance

In-class participation are credited. You are encouraged to raise questions, answer questions, and discuss topics. According to the [NJIT campus health and wellness](#), should your health or other circumstances change, negatively impacting your ability to succeed in our class, please notify me as soon as possible so that we can work together to connect you to support resources and work through possible options.

Preparing for Classes

This course requires substantial individual study and preparation. To better understand the course materials, it is strongly advised that students review textbook readings and slides after finishing a chapter and prepare for the next chapter prior to when the material is scheduled.

Lesson Quizzes

You will complete the quiz at the end of each chapter. The Quiz must be completed by midnight of Sunday of the week when we cover the chapter. The lowest score of the lesson quiz will be withdrawn.

Lesson Discussions

Lesson discussion postings are required of all students. Actively participating in all discussions is one of the best ways to help build a sense of community and collaboration. There will be a weekly topic that will be related to the course content or something that extends the course information to current financial market. You must participate in these weekly discussions.

Your responses should be a minimum of 50 words and must be posted by **Friday at 11:59 pm**. So other students have time to read your post. You will also respond to at least one post from other students in the open discussion thread. These responses must be a minimum of 20 words. The post must be posted by **Sunday at 11:59 pm**. So, you need to have two posts each week.

Late posts are not accepted.

Presentation

To better understand the financial markets and institutions, students are required to use the class knowledge to present the recent business news. You need to do the individual presentation. The detailed requirements about presentation can be found in Canvas. The various deadlines for the presentation must be met.

The late submission of the required work will not be accepted.

Week Review

At the end of each week you will complete a brief review of your participation and reflect on what you learned that week.

Lesson Homework

You will have homework at the end of each chapter. I highly recommend completing the homework before taking the quizzes. Completing homework will enhance your understanding of the book chapters. The homework should be submitted by midnight on Sunday of the week when we cover the chapter.

Unit Exams

You will complete three exams. The exam policy can be found in Canvas. The exams and quizzes are mandatory work. The lowest score of exams will be withdrawn. The exam dates are indicated in the course calendar and announced in Canvas. Please mark your calendar for the important exam dates!

Individual Assignments

You will complete three individual assignments. Please submit your assignments in Word or Excel in Canvas. According to the academic integrity, your individual assignments will be assessed **using Turnitin to check the similarity rate**. The lower similarity rate proves the original work that you have done. The assignment with a similarity rate higher than 50% will be returned without being graded.

Late assignments will not be accepted.

Tips for Better Grades

Grades are a reflection of the level of understanding of course content. Therefore, **to achieve the grade of A or B in this class expect to:**

- Participate 100% of the weeks. During each week new content is introduced, explained and then applied for better understanding.
- Turn in all course deliverables in a timely and professional manner.
- Ask any and all questions in Canvas.
- Take the bonus assignment!

With less preparation and participation expect the grade of C or lower.

Classroom Policies

Success in business depends on the combined performance of the professional team, not the self-centered interests of one individual. Similarly, a good learning environment is collectively created and requires the contribution of ALL students within the class. To maximize classroom learning:

- **Engage in learning.** Actively contribute to discussion, exercises, and assignments.
- **Show respect. Be respectful of others' thoughts and ideas.**
- **Attendance Policy:** The on-campus attendance is required, and you will also need to be present in the Canvas classroom each week.

Email Etiquette

- Put the course name **FIN 218 - XXX** in the subject line.
- Identify the **subject of the e-mail with a brief but descriptive summary of the topic**: include a proper salutation (e.g. Dr. Wang), and the assignment details such as the title, homework, or exam.
- Conclude the e-mail message with a proper closing (e.g. Regards, Sincerely) and your full name.

Accommodations for Students with Disabilities

Students with special needs as outlined under the Americans with Disabilities Act should first register with the Counseling Center, 205 Campbell Hall 973 596-3414. Go to the web site <http://www.njit.edu/counseling/services/disabilities.php> for more information. If you wish to have a reasonable accommodation made for you in this class, please discuss the matter with me at the earliest possible time.

Academic Integrity

Learning is both an individual and a cooperative experience. Asking for and giving help freely in appropriate settings helps you learn. However, you should present only YOUR work as your own. University rules and standards define and prohibit “academic misconduct” by all members of the academic community including students. You are asked and expected to be familiar with these standards and abide by them. A link to the NJIT academic integrity policy can be found at:

<https://www.njit.edu/dos/code-student-conduct-article-11-university-policy-academic-integrity>

Academic Integrity is the cornerstone of higher education and is central to the ideals of this course and the university. Cheating is strictly prohibited and devalues the degree that you are working on. As a member of the NJIT community, it is your responsibility to protect your educational investment by knowing and following the academic code of integrity policy that is found at:

Please note that it is my professional obligation and responsibility to report any academic misconduct to the Dean of Students Office. Any student found in violation of the code by cheating, plagiarizing or using any online software inappropriately will result in disciplinary action. This may include a failing grade of F, and/or suspension or dismissal from the university. If you have any questions about the code of Academic Integrity, please contact the Dean of Students Office at dos@njit.edu.

Expected Class Schedule

Please note that this is a tentative schedule. I reserve the right to adjust if necessary and new version will be announced and posted in Canvas. You are responsible for knowing what is in the latest version.

No.	Class Modality	Assignments	Due Date
UNIT 1			
1	On Campus Jan. 22	<u>Syllabus</u> Quiz Assignment	Sunday Jan. 28
2	On Campus Jan. 22	<u>Lesson 1: Why Study Financial Markets and Institutions (Chapter 1)</u> Required Reading, Discussion, Homework, Quiz and Week Review	Sunday Jan. 28
3	Online Jan. 29	<u>Lesson 2: Overview of the Financial System (Chapter 2)</u> Required Reading, Discussion, Homework, Quiz and Week Review	Sunday Feb. 4
4	On Campus Feb. 5	<u>Lesson 3: What Do Interest Rates Mean and What is Their Role in Valuation (Chapter 3)</u> Required Reading, Discussion, Individual Assignment, Homework, Quiz and Week Review	Sunday Feb. 11
5	Online Feb. 12	<u>Lesson 4: Risk, Return and Liquidity (Chapters 4&5)</u> Required Reading, Discussion, Homework, Week Review and Quiz	Sunday Feb. 18
6	Unit 1 Exam		

UNIT 2			
7	On Campus Feb. 26	<u>Lesson 5: The Money Markets (Chapter 11)</u> Required Reading, Discussion, Homework, Week Review and Quiz	Sunday March 3
8	Online March 4	<u>Lesson 6: The Bond Market (Chapter 12)</u> Required Reading, Discussion, Week Review and Quiz	Sunday March 10
Spring Break (No Classes)			
9	On Campus March 18	<u>Lesson 7: The Stock Market (Chapter 13)</u> Required Reading, Discussion, Individual Assignment, Homework, Week Review and Quiz	Sunday March 24
10	Online March 25	<u>Lesson 8: Why Do Financial Institutions Exist (Chapter 7)</u> Required Reading, Discussion, Homework, Week Review and Quiz	Sunday March 31
11	Unit 2 Exam		
UNIT 3			
12	On Campus April 8	<u>Lesson 9: Financial Regulation (Chapter 18)</u> Required Reading, Discussion, Homework, Week Review and Quiz	Sunday April 14
13	Online April 15	<u>Lesson 10: Investment Banks, Security Brokers and Dealers, and Venture Capital Firms (Chapter 22)</u> Required Reading, Discussion, Homework, Week Review, Individual Assignment and Quiz	Sunday April 21
14	On Campus April 22	<u>Lesson 11: Banking and the Management of Financial Institutions (Chapter 17)</u> Required Reading, Discussion, Homework and Week Review	Sunday April 28
15	Unit 3 Exam		
UNIT 4			
		Bloomberg Certificate	Sunday April 28
16	Online April 29	<u>Lesson 12: Central Banks and Federal Reserve System (Chapter 9)</u> Required Reading and Discussion	Friday May 3

Notes:

1. All assignments are due at midnight EST.
2. Upon the progress of the class, the instructor reserves the right to change the class schedule.
3. January 22nd: Last day to drop a class.
4. April 1st: Last day to withdraw from a class.
5. More information about the deadlines:

<https://www.njit.edu/registrar/spring-2024-academic-calendar>

How to join the virtual office hours on Webex:

Webex: <https://njit.webex.com/meet/jw78>

Meeting Number: 1385851910

Join by video system

Dial jw78@njit.webex.com and enter your host PIN 8405.

You can also dial 173.243.2.68 and enter your meeting number.

Join by phone

1-650-479-3207 Call-in number (US/Canada)

Access code: 138 585 1910