



FIN 218-001/HM1: Financial Markets & Institutions

Fall 2024

(Updated on 9/8/2024)

Instructor: Jixing Li

Email: jixing.li@njit.edu

TA: Mritunjoy Paul (mp2362@njit.edu)

Class: Tue/Thu 10:00 am - 11:20 am

Classroom: In person - CKB 303 (Tue) / KUPF 104 (Thu)

TA Office Hours: Wed 11:00 am - 12:00 pm (CAB 4th Floor Lounge)

Instructor Office Hours: Tue/Thu 12:30 pm - 2:00 pm (CAB 4023)

Course Description:

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 securities traded on the U.S. financial markets, including bonds, stocks, and derivatives, and discusses how financial institutions, especially commercial banks, work, along with the role of government in regulating financial markets and institutions.

Course Objectives:

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

- Describe fundamental business concepts.
- Identify the main function and importance of financial markets and institutions.
- Develop critical thinking in complex financial situations.
- Present the news analysis related to the real business world (Honors students).
- Use the Bloomberg terminal professionally (Bonus assignment).

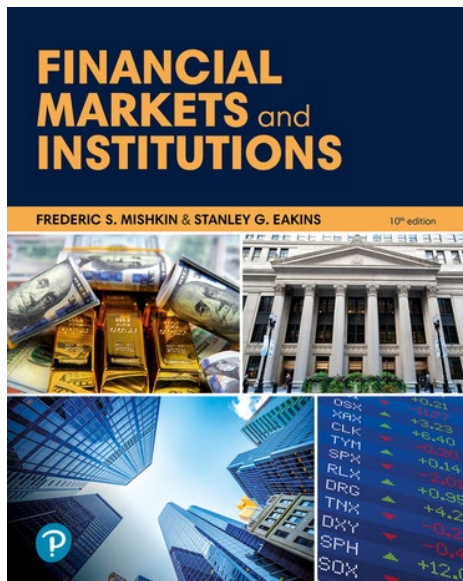
Course Materials:

Required Textbook: **Financial Markets and Institutions**, 10th edition, Frederic Mishkin and Stanley Eakins, Published by Pearson (August 29, 2023) © 2024

ISBN-13: 9780138043681

eText ISBN-13: 9780138025465

Website: [https://urldefense.com/v3/https://www.pearson.com/en-us/subject-catalog/p/financial-markets-and-institutions/P200000009817/9780138025465_!!DLa72PTfQgg!L2Vl3RjRoyiTT2A06iwhYGp_PBm6_NHABC9NWj-qApczfYKPPQ6P9TN714WAHfAYqw8qmi-kHITM5V3ziT6M7N4peg\\$](https://urldefense.com/v3/https://www.pearson.com/en-us/subject-catalog/p/financial-markets-and-institutions/P200000009817/9780138025465_!!DLa72PTfQgg!L2Vl3RjRoyiTT2A06iwhYGp_PBm6_NHABC9NWj-qApczfYKPPQ6P9TN714WAHfAYqw8qmi-kHITM5V3ziT6M7N4peg$)



Financial Newspapers: The Wall Street Journal, Financial Times

Other Materials: Slides and other supplementary material will be available through Canvas (<https://canvas.njit.edu/>).

Since this is an in-person course, you will have to take responsibility for spending the appropriate amount of time to learn the material and prepare for the class. You should expect to spend at least 6 - 9 hours each week on the course.

DO NOT post or share course materials with outside parties.

Textbook FAQs:

Question: Do I need the textbook?

Answer: Yes. The course is structured under the assumption that students have the textbook and are actively reading chapters from it during the semester. Practicing end-of-chapter questions can aid students in studying for quizzes and exams. Not having the textbook will put students at a large disadvantage.

Question: Do I have to buy this exact edition?

Answer: Yes. Students may choose to purchase newer or older versions of the textbook; however, this is not recommended. Different versions may contain different chapters, examples, case studies, practice problems, etc., and as such, it would be the student's responsibility to reconcile these differences. Mappings across textbook versions will not be provided.

Question: Can I use an international edition?

Answer: As with the prior question, though, it is not recommended. That is ultimately your choice. It will be up to you to reconcile any differences between that and the required version. Again, mappings across textbook versions will not be provided.

Grading:

Percent of Final Grade

1. Class Participation	5%
2. 11 Quizzes (2% each)	22%
3. 11 Discussions (2% each)	22%
4. 3 Problem Sets (5% each)	15%
5. 3 Self-Reviews (2% each)	6%
6. 3 Exams (10% each)	30%
Total	100%
7. Bonus - Bloomberg Certificate	5%

Honors Grading:

Percent of Final Grade

1. Class Participation	3%
2. 11 Quizzes (2% each)	22%
3. 11 Discussions (2% each)	22%
4. 3 Problem Sets (4% each)	12%
5. 3 Self-Reviews (1% each)	3%
6. 3 Exams (10% each)	30%
7. News Presentation	8%
Total	100%
8. Bonus - Bloomberg Certificate	5%

Grading Scale (NO Curve):

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

Participation:

Class participation is not an explicit part of the grading scheme. However, I reserve the right to adjust your participation grade based on an overall assessment of your contribution to the class. Insightful questions/comments that indicate careful preparation for and attention to class are good. Regular failure to attend and/or to be prepared is not good.

Quizzes:

Quizzes are delivered via Canvas. Quizzes are available at the beginning of the week we cover the chapter and must be completed by Sunday at 11:59 pm of that week. Students have unlimited times of attempt on each quiz before its due date. There is no time limit for each attempt. After each attempt, students will be told which questions they get correct and which questions they get wrong. Only the highest score will be recorded.

Discussions:

Discussion postings are completed via Canvas. Actively participating in all discussions is the best way to help build a sense of community and collaboration. There will be a weekly topic related to the course content or something that extends the course content to the current financial market.

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

Late posts will not be accepted.

Problem Sets:

There are three problem sets for Lectures 3, 7, and 10. Students will submit their answers in Word or Excel on Canvas. According to academic integrity, your answers will be assessed using Turnitin to check the similarity rate. The low similarity rate proves the originality of your work. The answer with a high similarity rate will be returned without grading.

Late submissions will not be accepted.

Self-Reviews:

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

Exams:

Exams are delivered via Canvas. Exams 1 and 2 are available at the beginning of Thursday and must be completed by the Friday of the exam week. There is no class and office hours on the Thursday of the exam week. Exam 3 is available at the beginning of the Monday and must be completed by the Tuesday of the final exam week. To provide flexibility, you can choose whenever it is convenient for you to begin your exam in the two-day window.

Exams are not cumulative and cover topics in their corresponding tri-term. Students have two times of attempts on each exam before its due date. There is an 80-minute time limit for each attempt. After each attempt, students will be told which questions they get correct and which questions they get wrong. Only the highest score will be recorded.

News Presentation (Honors Students):

To enhance students' understanding of the real financial markets using the theoretical knowledge learned from the class, honors students have an extra task to present recent finance/business news individually. You can choose a spot after each tri-term and the presentation content must be related to topics we covered in the tri-term you selected. As part of the grading rubrics, you will need to upload your slides to Canvas before the presentation. Detailed requirements for this presentation will be provided via Canvas.

Late submissions will not be accepted.

Bloomberg Certificate (Bonus):

This is a bonus assignment. Students need to complete the Bloomberg Market Concepts (BMC) course. Detailed instructions are provided in the Bloomberg lab located on the first floor of the Central Avenue Building (CAB). To get the bonus points, you will submit a copy of your BMC certificate in PDF version before the deadline.

Schedule:

The course schedule should be viewed as the general framework within which we will work. The instructor reserves the right to adjust the material covered during the semester.

Class	Lecture	Reading	Assignments	Due
Week 1	-Introduction: About the Course -Lecture 1: Why Study Financial Markets and Institutions	Chapter 1	Academic Engagement	9/10 11:59 pm
Week 2	-Lecture 1: Why Study Financial Markets and Institutions	Chapter 1	Quiz 1 Discussion 1	9/15 11:59 pm (Original Post: 9/13 11:59 pm)
Week 3	-Lecture 2: Overview of the Financial System	Chapter 2	Quiz 2 Discussion 2	9/22 11:59 pm (Original Post: 9/20 11:59 pm)

Week 4	-Lecture 3: What Do Interest Rates Mean and What is Their Role in Valuation	Chapter 3	Quiz 3 Discussion 3	9/29 11:59 pm (Original Post: 9/27 11:59 pm)
Week 5	-Lecture 4: Risk, Return and Liquidity	Chapters 4 & 5	Quiz 4 Discussion 4 Problem Set 1 Self-Review 1	10/6 11:59 pm (Original Post: 10/4 11:59 pm)
Week 6 (Thu: Exam 1)	-Honors Student Presentation -Exam 1 Review -Exam 1		Exam 1	From 10/10 0:00 am to 10/11 11:59 pm
Week 7	-Lecture 5: The Money Markets	Chapter 11	Quiz 5 Discussion 5	10/20 11:59 pm (Original Post: 10/18 11:59 pm)
Week 8	-Lecture 6: The Bond Market	Chapter 12	Quiz 6 Discussion 6	10/27 11:59 pm (Original Post: 10/25 11:59 pm)
Week 9	-Lecture 7: The Stock Market	Chapter 13	Quiz 7 Discussion 7	11/3 11:59 pm (Original Post: 11/1 11:59 pm)
Week 10 (Tue: Election Day)	-Lecture 8: Why Do Financial Institutions Exist	Chapter 7	Quiz 8 Discussion 8 Problem Set 2 Self-Review 2	11/10 11:59 pm (Original Post: 11/8 11:59 pm)
Week 11 (Thu: Exam 2)	-Honors Student Presentation -Exam 2 Review -Exam 2		Exam 2	From 11/14 0:00 am to 11/15 11:59 pm
Week 12 (Thu: Thanksgiving)	-Lecture 9: Financial Regulation	Chapter 18	Quiz 9 Discussion 9	11/26 11:59 pm (Original Post: 11/24 11:59 pm)
Week 13	-Lecture 10: Investment Banks, Security Brokers and Dealers, and Venture Capital Firms	Chapter 22	Quiz 10 Discussion 10	12/1 11:59 pm (Original Post: 11/29 11:59 pm)
Week 14	-Lecture 11: Banking and the Management of Financial Institutions	Chapter 17	Quiz 11 Discussion 11 Problem Set 3 Self-Review 3	12/8 11:59 pm (Original Post: 12/6 11:59 pm)
Week 15 (Thu: Reading Day)	-Honors Student Presentation -Exam 3 Review		Bloomberg Certificate (Bonus)	12/15 11:59 pm

Week 16	-Exam 3		Exam 3	From 12/16 0:00 am to 12/17 11:59 pm
---------	---------	--	--------	--

Important Dates:

Sep 9th: Last Day to Add/Drop a Class for 100% Refund

Oct 10th: Exam 1 Begins

Nov 11th: Last Day to Withdraw from Classes

Nov 14th: Exam 2 Begins

Dec 16th: Exam 3 Begins

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: [NJIT Academic Integrity Code](#).

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”

Generative AI Policy:

Student use of artificial intelligence (AI) is permitted in this course for certain assignments and activities. It is not permitted to be used in responding to other student’s original posts in **Discussions**, as doing so would undermine student learning and achievement of course learning outcomes. Additionally, if and when students use AI in this course, the AI must be cited as is shown within the [NJIT Library AI citation page](#) for AI. If you have any questions or concerns about AI technology use in this class, please reach out to your instructor prior to submitting any assignments.

Tips for Better Grades:

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

- Attend 100% of classes and be respectful to other students by turning off or muting your electronics.
- Turn in all course assignments in a timely and professional manner.

- Come to the TA and instructor's office hours if you have any questions.
- Take the bonus assignment!

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.
- Expect a 24- to 48-hour window for email responses.

Virtual Office Hours:

Join Zoom Meeting

<https://njit-edu.zoom.us/j/4324855189?pwd=waRshamUGWeKabCjobhhBPNnPAioQR.1>

Meeting ID: 432 485 5189

Passcode: JixingZoom