

## Financial Markets

Module		Financial Markets					
Module Code		FIN40040					
Module Coordinator		Heidorn, Thomas					
Last Update		2015/12/16					
Target Group		Programme(s)			Bachelor of Science		
		Term			6. Semester		
		Compulsory/Elective Module			Compulsory Module		
		Module Duration			1 Semester		
		Credits:			6		
		Frequency			Annually		
		Language of instruction			English		
Workload:	150 h	Contact hours:	44 h	Independent Learning:	30 h	Assignments:	76 h
Prerequisites		Finance 1					
Usability in other Modules/Programmes		Base for other Finance-Modules					
Intended Learning Outcomes		<p><b>Knowledge:</b> Based on the theory of financial markets the students will acquire a broad knowledge of the most important products of international financial markets, i.e. they can:</p> <ul style="list-style-type: none"> <li>• explain the usage of financial products,</li> <li>• describe theoretical concepts of evaluation,</li> <li>• outline the impact of these products in real markets.</li> </ul> <p><b>Skills:</b> The students learn the conception and organisational implementation of financial products and train to transfer these skills to other tasks, i.e. they can:</p> <ul style="list-style-type: none"> <li>• implement financial products,</li> <li>• evaluate the importance of these products for the market.</li> </ul> <p><b>Competences:</b> The Module gives the students a broad knowledge base of the modern financial world. After successful completion of this Module, students can:</p> <ul style="list-style-type: none"> <li>• analyse complex financial products,</li> <li>• judge financial aspects considering business and regulatory questions.</li> </ul>					

<b>Module Overview</b>	<p>The students learn the importance and functions of financial products. The module discusses bonds and shares but also derivatives (from interest rate swap to options). The necessary mathematical tools are taught but also market conventions and market set up are analyzed. All products are calculated and discussed in detail.</p> <p>The students learn:</p> <ul style="list-style-type: none"> <li>• to evaluate the importance of financial markets,</li> <li>• to understand the elements of money and capital markets,</li> <li>• to understand and use the most important products of financial markets,</li> <li>• an introduction to the theory of financial markets.</li> </ul> <p>Topics:</p> <p>1. Financial Markets  1.1 Money Market  1.2 Capital Markets (Bond and Equity)  1.3 Portfolio Theory  2. Derivates  2.1 Symmetric Instrument (Interest Rate Swap, Forward Rate Agreement, Future)  2.2 Asymmetric Instruments (Equity Options)</p>								
<b>Forms of teaching, methods and support</b>	<p>The method is structured teaching, focussing on discussions with the students. To broaden the knowledge base and the understanding many assignments are used which are discussed in detail in class.</p>								
<b>Type of Assessment in the Module and Performance Points</b>	<table border="1" data-bbox="480 1200 1378 1364"> <thead> <tr> <th data-bbox="480 1200 700 1305">Prüfungsleistung</th> <th data-bbox="700 1200 935 1305">Dauer oder Länge</th> <th data-bbox="935 1200 1155 1305">Akku-Punkte</th> <th data-bbox="1155 1200 1378 1305">Abgabe- oder Erstellungszeitpunkt</th> </tr> </thead> <tbody> <tr> <td data-bbox="480 1305 700 1364">Test</td> <td data-bbox="700 1305 935 1364">120 Min.</td> <td data-bbox="935 1305 1155 1364">120</td> <td data-bbox="1155 1305 1378 1364">End of semester</td> </tr> </tbody> </table>	Prüfungsleistung	Dauer oder Länge	Akku-Punkte	Abgabe- oder Erstellungszeitpunkt	Test	120 Min.	120	End of semester
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Test	120 Min.	120	End of semester						
<b>Recommended Literature</b>	<p><b>Brealey, R.A. / Myers, S.C. / Allen, F.:</b></p> <ul style="list-style-type: none"> <li>• Principles of Corporate Finance, 2011</li> </ul> <p><b>Heidorn, T.:</b></p> <ul style="list-style-type: none"> <li>• Finanzmathematik in der Bankenpraxis, 2009</li> </ul> <p><b>Steiner, M. / Bruns, C.:</b></p> <ul style="list-style-type: none"> <li>• Wertpapiermanagement, Stuttgart 2007</li> </ul>								