

**Sam Houston State University
College of Business Administration
Department of General Business and Finance
Spring 2008**

COURSE NUMBER: FIN 334W.01
COURSE TITLE: Financial Institutions and Markets
INSTRUCTOR: Dr. Kurt Jesswein
OFFICE: SHB 200M
E-MAIL: Kurt.Jesswein@shsu.edu
WEB PAGE: www.shsu.edu/~krj004
PHONE: (936) 294-4582
OFFICE HOURS: Monday-Wednesday, 11:00 a.m. – 12:00 p.m., Tuesday-Thursday 9:30 a.m. – 11:00 a.m., or by appointment.
REQUIRED TEXT: *Financial Markets and Institutions*, 5th Ed., Mishkin & Eakins, Addison-Wesley, 2006. ISBN 0-321-28029-6.

SUPPLEMENTAL MATERIALS: I periodically supplement course information with announcements placed on Blackboard or through emails. Thus, it is imperative that you periodically check Blackboard for course updates and be certain that the email address listed on the Blackboard system is one that you regularly access or have forwarded to an account that you more regularly check. **Your first assignment is to enter Blackboard and complete a brief questionnaire, acknowledging your understanding of the requirements for this course. The assignment is worth 0.2 percent of your overall grade in the course which could be the difference in a letter grade so please take care of it early.**

DESCRIPTION OF COURSE: This course will explore the structure of the financial system with emphasis of the role, operations and regulations of financial institutions and markets, including international. The nature, participants, instruments, and relationships of the money and capital markets will be examined.

PREREQUISITES: Junior standing

COURSE OBJECTIVES: You will be introduced to the economic and political environment of finance and examine the organization, operations, and regulation of financial institutions and markets. Specifically, at the end of the course you will be expected to have gained factual knowledge (e.g., different types of financial markets, institutions, and instruments used; tools used in conducting monetary policy, etc.) and learned related fundamental principles and theories (e.g., factors causing interest rates to change; impact of the changing value of the U.S. dollar on economic and financial fundamentals, etc.)

CLASS MEETINGS: Monday-Wednesday, 9:30 a.m. – 10:50 a.m., beginning on Wednesday, January 16, 2008 and ending with the final exam on Wednesday, May 14, 2008 at 8:00 a.m.

INSTRUCTIONAL ACTIVITIES: Class time will be devoted to highlighting important material and discussing its relationship to current events and the “real world.” It is assumed that you have read the assigned material carefully and completed any other assignments **BEFORE** class.

COURSE EVALUATION PROCESS: There will be four unit exams, a comprehensive final exam, and four in-class writing assignments (this is a writing enhanced class). Weighting will be as follows:

Exams (4) x 15% each	60%
In-class writing exercises	25%
Final exam	15%

Exams will be graded and returned to the students for review, normally the next class period after the exam. The exams will then be taken back up to record the grades. If the exam leaves the classroom, a grade of zero will be assigned. Problems with taking any examination(s) on the scheduled date(s) must be discussed with the instructor before the examination. If an exam is missed, a grade of zero (0) will be assigned for the exam. Under rare and unusual circumstances, a make-up exam may be arranged. This highly unlikely occurrence will be at the totally arbitrary discretion of your professor. If more than one exam is missed, a grade of zero (0) will be retained for the other missed exam(s). Students may drop the lowest of the five exam scores. For students opting out of the final exam, the average of the first four exams will be used as a substitute for the score of the fifth exam. For students taking the final exam, the score on that exam can be used to replace the lowest score from the first four exams, including any zeros.

Grades in this course are determined by applying the following scale to a student's weighted average:

90 – 100	A
80 – 89.99	B
70 – 79.99	C
60 – 69.99	D
Below 60	F

Non-quantitative factors such as class participation, improvement on examinations, rank in class, bribery (not really—just wanted to see if you are paying attention), or other extenuating factors will be considered in the grading process.

ATTENDANCE: Regular class attendance is necessary to do well in this course and attendance will be taken during each class period. A seating chart will be circulated at the beginning of the second class period. Your seat at that time will become your permanent seat. This will help me learn your names more quickly and help you learn your classmates' names.

OTHER COMMENTS:

- Students are expected to take off their caps, hats, or other headgear while in class.
- No one will be allowed to leave the classroom during an exam until the exam has been completed and returned to the proctor. Also, no student will be allowed to start an exam after the first person has completed the exam and departed the room.
- I expect you to be respectful and courteous to others. Pagers, cellular telephones, and anything else that rings, beeps, boops, or otherwise disturbs the class and/or your instructor should be disabled for the duration of the class.
- During class, you may use your computer only for class-related activities. These include activities such as taking notes on the lecture underway or following the lecture on the PowerPoint slides provided on Blackboard. If you use your computer for other activities that are deemed disruptive by your classmates or your instructor, you will be asked to turn the computer off.
- Eating and drinking are prohibited in the classroom with the exception of bottled water.
- We will foster a high degree of academic integrity in this course. Any unauthorized copying or exchanging of information, including plagiarism and collusion, will be dealt with appropriately.

AMERICANS WITH DISABILITIES ACT: SHSU adheres to all applicable federal, state, and local laws, regulations, and guidelines with respect to providing reasonable accommodations for students with disabilities. If you have a disability that may affect adversely your work in class, then I encourage you to register with the SHSU Counseling Center and to talk with me about how I can best help you. All disclosures of disabilities will be kept strictly confidential. NOTE: No accommodation can be made until you register with the Counseling Center.

STUDENT ABSENCES ON RELIGIOUS HOLY DAYS POLICY: Section 51.911(b) of the Texas Education Code requires that an institution excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from with the student is excused within a reasonable time after the absence. University policy 861001 provides the procedures to be followed by the student and instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy day(s). This request should be made in the first fifteen days of the semester. The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignment(s) and/or examination(s) are to be completed.

TENTATIVE CLASS SCHEDULE

<u>Date</u>	<u>Coverage</u>
1/16	Introduction
1/21	No class – Dr. Martin Luther King, Jr. Day
1/23	Chapter 2 Overview of financial system
1/28-1/30	Chapter 3 Interest rates and valuation
2/4	Chapter 4 Why interest rates change
2/6	Chapter 5 Risk and term structure of interest rates
2/11	Review; Writing assignment
2/13	Exam 1 (Chapters 2-5)
2/18	Chapter 7 Federal Reserve System
2/20	Chapter 8 Conducting monetary policy
2/25	Chapter 9 Money markets
2/27	Chapter 9 Money markets
3/3	Review; Writing assignment
3/5	Exam 2 (Chapters 7-9)
3/10-3/12	No class (Spring break)
3/17	Chapter 10 Bond markets
3/19	Chapter 11 Stock markets
3/24	Chapter 12 Mortgage markets
3/26	Chapter 13 Foreign exchange markets
3/31	Chapter 25 Derivatives markets
4/2	Review; Writing assignment
4/7	Exam 3 (Chapters 10-13, 25)
4/9	Chapter 17 Commercial banking
4/14	Chapter 18 Banking industry
4/16	Chapter 19 Savings institutions; Writing assignment
4/21	Chapter 21 Mutual fund industry
4/23	Chapter 22 Insurance companies and pension funds
4/28	Chapter 23 Investment banking
4/30	Chapter 24 Risk management; Review
5/5	Exam 4 (Chapters 17-19, 21-24)
5/7	Writing assignment; Review for final exam
5/14	Final exam, 8:00 a.m.