# FIN 3103 (B) - Financial Markets


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<tr>
<th><strong>Instructor</strong></th>
<th>Dr. Zsuzsa R. Huszár</th>
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<tr>
<td><strong>Class hours</strong></td>
<td>TBA</td>
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<tr>
<td><strong>Office contact</strong></td>
<td>BIZ1 #04-13, Office Phone: 6516 - 8017</td>
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<tr>
<td><strong>Office hours</strong></td>
<td>TBA (or by appointment)</td>
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**Description**
FIN3103 is an introductory financial market course. The course aims to familiarize students with the local (Singaporean and ASEAN) and global (US & European) financial markets. The course prerequisite is FIN 2004.

**Objectives**
The objectives of the course are to gain an understanding of:
- the local Singaporean financial market and financial institutions;
- the functioning of two main international financial markets, the US and the European markets;
- the different financial services offered by the different types of financial institutions;
- the use and valuation of different financial assets traded on the local and global financial markets (e.g., equities, bonds, treasuries and currencies).

**Textbook/Readings**

**Course Policy**
As classroom participation counts toward the final course grade, it is in the student’s best interest to attend classes and actively engage in class discussions. Students are randomly called upon to express their own opinion on certain class subjects. Students missing more than two classes (excluding medical reasons (medical certificates are required) or compassionate reasons) will be penalized and/or fail the entire module.

**E-mail**
All important announcements will be posted on IVLE. It is the students’ responsibility to ensure that they receive all communications. Students must use their NUS email in communication with the instructor.

**Tests**
There will be two tests (midterm and final quiz) during regular class time. The midterm test (closed-book test) covers topics up to that point (first 7-8 weeks, including presentations). The final quiz is during the last week of classes and covers topics *mostly* after the midterm test, including topics from the group presentations. It is the students’ responsibility to ensure that they are available for the midterm exam and the final quiz, as no makeup exams will be administered (except with official excuse).
**Term Projects**

Students in groups (4-5 students per group) must complete a mini teaching assignment, where the students have the opportunity to research specific financial market issues in depth and share their knowledge (including their own viewpoints) with others in the class. On the first come, first serve basis, students (max 4 students per group) can choose from 10 relevant topics (preselected by the instructor). As the presentation dates are scheduled throughout the semester, the students need to make sure that they are available for the presentation.

**Calculator**

Only non-programmable calculators are allowed in the course.

**Feedback**

Students are also encouraged to provide comments and suggestions to the instructor that may help the class to learn better.

**Grading**

- Class Participation: 10%
- Term Project (presentations/critics): 30%
- Midterm: 35%
- Final quiz: 25%
- **Total**: 100%

Students must follow official guidelines to request a grade review.

**Tentative Class Schedule (subject to change)**

<table>
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<tr>
<th>Week</th>
<th>Topic</th>
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<tr>
<td>1</td>
<td>Introduction to Financial Markets – Financial Institutions</td>
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<tr>
<td>2</td>
<td>Financial Institutions – Banks versus Nonbanks</td>
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<tr>
<td>3</td>
<td>Banks’ risk management – Central Banks; Basel I and II</td>
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| 4    | Presentations Group 1 – The role of MAS (focus: financial stability)  
       Group 2 – US & European bank failures  
Interest Rates and Debt Market  
Presentations Group 3 – US mortgage market  
Interest Rates and Debt Market continued |
| 5    | Recess week (13th Febr. – 21st of Febr.)  
Presentations Group 4 – US corporate debt market  
Group 5 – Singapore corporate bond market  
Equity markets, types of markets: order or quote driven  
Presentations Group 6 – Equity markets in the US and Europe  
Group 7 – Equity markets in Asia (Singapore focus) |
| 6    | Review and introduction to Forex markets |
| 9    | Midterm (Test 1) |
| 10   | FOREX and derivative markets  
Presentations Group 8 – Singapore FOREX regime – exchange rates  
Group 9 – Recent currency crisis |
| 11   | Derivatives market  
Presentations Group 10 – Singapore derivates market |
| 12   | Derivative assets – hedging and speculating  
Presentations Group 10 – Singapore derivates market |
| 13   | Final Quiz (Test 2)  
1 hour closed book exam |