

## Syllabus

### Course name

Financial Markets

### Semester

Spring 2024 semester

### Name of the main instructor

Gabriela Kuvíková, Ph.D.

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### Date

- Classes: March 4 – April 12, 2024
- Final exam week: April 15 – 19, 2024
- Make-up exam week: April 22 – 26, 2024

### Time

To be determined.

### Office hours

To be determined.

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## Course description

This course aims to provide a basic understanding of today's changing landscape of financial markets and institutions with a broad scope and emphasis on general principles. Students will study the key fundamentals of financial markets and learn how financial markets and financial institutions work. We will discuss interest rates and their role in valuation, learn about efficient market hypothesis and exchange rate determination, explore money and capital markets, identify various players in the financial institutions industry, and take a closer look at risk management in financial institutions.

## Prerequisites

Microeconomics at introductory level

## Textbook and Materials

Frederic S. Mishkin and Stanley G. Eakins: Financial Markets and Institutions, 9th edition, Pearson/Prentice Hall.

## Grading<sup>1</sup>

Weekly Quiz	60%
Final exam	40%

A general rule is that a student must have more than 50% of overall course results, and more than 50% on the final exam, to pass a DLP course and be awarded the CERGE-EI Foundation certificate.

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<sup>1</sup> 3 ECTS credits (recommended)

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## Course Outline

### Week 1

- Overview of the Financial System

### Week 2

- What Do Interest Rates Mean and What is Their Role in Valuation?
- Why Do Interest Rates Change?
- How Do Risk and Term Structure Affect Interest Rates?

### Week 3

- The Efficient Market Hypothesis
- The Money Market

### Week 4

- The Bond Market
- The Stock Market
- The Mortgage Market

### Week 5

- The Foreign Exchange Market
- Banking and the Management of Financial Institutions

### Week 6

- The Mutual Fund Industry
  - Risk Management in Financial Institutions
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