

Syllabus

Course name

Financial Markets

Semester

Spring 2025 semester

Name of the main instructor

Gabriela Kuvíková, Ph.D.

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[Moodle Course Webpage](#)

Date

- Classes: March 3 – April 11, 2025
- Final exam week: April 14 – 18, 2025
- Make-up exam week: April 21 – 25, 2025

Time

- Lectures: Tuesday, 7.45 - 9.15am CET and Wednesday, 7.45 - 8.30am CET¹
- Exercise sessions: Wednesday, 8.30 - 9.15am CET

Office hours

To be determined.

¹ Note that after March 30, 2025, due to the daylight saving time lectures will be held on Tuesday, 8.45 - 10.15am CEST and Wednesday, 8.45 - 9.30am CEST. Thus, there will be no change in the course time slots for countries which do not change time.

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 central banking and the conduct of monetary policy.

Prerequisites

Microeconomics at introductory level

Textbook and Materials

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

Grading²

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|-------------|-----|
| 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.

Course Outline

Week 1

- Overview of the Financial System

² 3 ECTS credits (recommended)

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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
- Central Banking and the Conduct of Monetary Policy.