

NAME OF THE COURSE		FINANCIAL INSTITUTIONS AND MARKETS				
Code	EUA201	Year of study	3 rd			
Course teacher	Marijana Ćurak, Full Professor and Ana Kundid Novokmet, Associate Professor	Credits (ECTS)	5			
Associate teachers	Dujam Kovač, M.Econ	Type of instruction (number of hours)	L	S	E	F
			26		26	
Status of the course	Compulsory	Percentage of application of e-learning	20%			
COURSE DESCRIPTION						
Course objectives	Provide knowledge that will enable the analysis of structural and functional aspects of credit institutions, institutional investors and other financial institutions, money markets, capital markets, financial derivative markets and foreign exchange markets, as well as identify the reasons and effects of financial system regulation.					
Course enrolment requirements and entry competences required for the course	Requirements for the course enrolment are regulated by the Statute of the Faculty of Economics, Business and Tourism and by the Rulebook of study programs and studying system.					
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	<p>Course learning outcome:</p> <p>Critically analyse the structural and functional aspects of financial institutions and financial markets and the functioning of financial institutions and markets in the Republic of Croatia and identify the reasons and effects for/of financial regulation.</p> <p>Particular learning outcomes:</p> <ol style="list-style-type: none"> Analyse sources and uses of financial resources, their determinants and the effects of financial institutions and markets on the cost of funds transfer. Examine the importance and functions of central banks and credit institutions. Analyse the role of institutional investors. Differentiate instruments and trading mechanisms in financial markets. Analyse the functioning of financial institutions and markets in the Republic of Croatia. 					
Course content broken down in detail by weekly class schedule (syllabus)	Lectures		Exercises			
	Topics	Hours	Topics	Hours		
	Financial system: structure and functions.	2	Financial system analysis.	2		
	Savings, deficits, capital. Financing: direct and indirect funding.	1	Financing: Direct and indirect funding.	1		
Importance of financial institutions: transaction costs, information asymmetry.	1	Financial institutions and economic growth.	1			

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	Fundamentals of financial markets.	4	Fundamentals of financial markets.	4
	The central bank in the financial system: the status and functions.	2	Croatian National Bank: the status and organization, functions, balance sheet. European Central Bank. Seminar paper presentation.	2
	Credit institutions.	2	Credit institutions in the Republic of Croatia: the legislative framework, structure and activities. Quantitative problems - functioning and performance of banks. Seminar paper presentation.	2
	Insurance companies: risks and fundamentals of insurance, life and non-life insurance.	2	Insurance companies in the Republic of Croatia. Seminar paper presentation.	2
	Pension funds: the role and types of pension plans. Investment funds: goals, open-end and closed-end investment scheme, investment company.	2	Pension funds in the Republic of Croatia. Investment funds in the Republic of Croatia. Quantitative problems - calculation of the value of investment funds. Seminar paper presentation.	2
	Money market: functions, participants, instruments. Foreign exchange markets.	2	Money market instruments. The exchange rate impact on the financial assets. Seminar paper presentation.	2
	Capital market: the importance and main functions. Primary and secondary capital markets. Bond Markets.	2	Croatian capital market. Quantitative problems - calculating value and yield on bond market instruments. Seminar paper presentation.	2

	Stock Markets.	2	Quantitative problems - calculating value and yield on stock market instruments. Seminar paper presentation.	2	
	Derivatives markets.	2	Examples of forward and futures, option and swap transactions. Quantitative problems - calculation of value and yield on derivative instruments and simulation of trading strategies on examples. Seminar paper presentation.	2	
	Stability of the financial system. Regulation and supervision of the financial system.	2	Financial crisis – case study. Seminar paper presentation.	2	
Format of instruction	<input checked="" type="checkbox"/> lectures <input checked="" type="checkbox"/> seminars and workshops <input checked="" type="checkbox"/> exercises <input type="checkbox"/> on line in entirety <input type="checkbox"/> partial e-learning <input type="checkbox"/> field work		<input type="checkbox"/> independent assignments <input type="checkbox"/> multimedia <input type="checkbox"/> laboratory <input type="checkbox"/> work with mentor <input checked="" type="checkbox"/> case study <input type="checkbox"/> (other)		
Student responsibilities	The requirements to get the right to take the final exam: regular attendance (for full-time students: minimum 60% of lectures and 60% of exercises; for part-time students: half of the conditions defined for full-time students) and successfully solved self-assessment tests (the student should achieve a minimum of 30% correct answers on the three out of the four self-assessment tests that will be organized during the semester).				
Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is equal to the ECTS value of the course)	Class attendance	0.7	Research	Practical training	
	Experimental work		Report	Self-assessment test	0.3
	Essay		Seminar paper	(Other)	
	Mid-term exams	4** (3.5**)	Oral exam	(Other)	
	Written exam	4** (3.5**)	Project	(Other)	
Grading and evaluating student work in class and at the final exam	<p>During the semester, two written mid-term exams will be organized. The first written mid-term exam can be accessed by all students enrolled in the course. A positively evaluated first written mid-term exam is a requirement for the student's admission on the second written mid-term exam. The overall grade represents the mean of (positive) grades achieved in both mid-term exams. Alternatively, students can achieve grade by taking a final written exam during the exam period.</p> <p>Written exams consist of 10 questions. Each correct answer is evaluated with 10 points. Score thresholds and corresponding grades for written exams: 0-59 points =</p>				

	<p>insufficient (1); 60-69 points = sufficient (2); 70-79 points = good (3); 80-89 points = very good (4) and 90-100 points = excellent (5).</p> <p>Student's seminar paper is evaluated up to 10 points.</p> <p>*Student has the opportunity to write and present seminar essay. **A student who has achieved a pass mark from the first and second mid-term exam has completed the module and thus is not required to take the final written exam.</p>		
Required literature (available in the library and via other media)	Title	Number of copies in the library	Availability via other media
	Ćurak, M., Kovač, D. (2020-2021). <i>Financial Institutions and Markets</i> , the course materials on Moodle platform.		x
	Mishkin F. S., Eakins, S. G. (2018). <i>Financial Markets and Institutions</i> , Pearson.	1	
	Mishkin, F. S., Eakins, S. G., (2019). <i>Financijska tržišta i institucije</i> , Mate, Zagreb.	13	
	Pojatina, D., (2000). <i>Tržište kapitala</i> , Ekonomski fakultet, Split.	12	
Optional literature (at the time of submission of study programme proposal)	Casu, C., Girardone, C., Molyneux, P. (2015) <i>Introduction to Banking</i> , Pearson.		
	Clark, G. L., Benning, M. A. H. (2017). <i>Institutional investors in global markets</i> , Oxford University Press.		
	Leko, V., Stojanović, A. (2018). <i>Financijske institucije i tržišta</i> . Ekonomski fakultet sveučilišta u Zagrebu, Zagreb.		
	Madura, F. (2021). <i>Financial Institutions and Markets</i> , Cengage Learning.		
	Navaretti, G., B., Calzolari, G., Pozzolo, A. F.(ed.) (2017). <i>FinTech and Banks: Friends or Foes?</i> , European Economy Banks, Regulation, and the Real Sector, 3(2).		
	Neave, E. H. (2009). <i>Modern Financial Systems</i> , Theory and Applications, John Wiley & Sons, Inc.		
	Other sources:		
	Central Bureau of Statistics, https://www.dzs.hr/		
	Croatian Bank for Reconstruction and Development, https://www.hbor.hr/		
	Croatian Banking Association, http://hub.hr/		
Croatian National Bank, http://www.hnb.hr/			
Croatian Financial Services Supervisory Agency, http://www.hnb.hr/			

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	<p>European Central Bank, https://www.ecb.europa.eu/home/html/index.en.html</p> <p>The European Insurance and Occupational Pensions Authority (EIOPA), https://eiopa.europa.eu/</p> <p>European Securities and Markets Authority (ESMA) https://www.esma.europa.eu/supervision/supervision</p> <p>Official Gazette, https://www.nn.hr/</p> <p>World Bank, Financial Structure Database, http://www.worldbank.org/en/publication/gfdr/data/financial-structure-database</p> <p>Zagreb stock exchange, http://zse.hr/</p>
<p>Quality assurance methods that ensure the acquisition of exit competences</p>	<ul style="list-style-type: none"> • Monitoring the class attendance and execution of other student's obligations (Teacher) • Teaching Supervision (The Vice-Dean for academic and student affairs) • Analysis of the studying performance for all courses of the study program (The Vice-Dean for academic and student affairs) • Student survey on the quality of teachers and teaching for each course of the study program (UNIST, Centre for Quality Improvement) • All learning outcomes of the course are examined by the examination conducted by the course teacher. Periodic examination of the content of the exam is conducted in order to verify the appropriateness of the method of validating the learning outcomes (The Vice-Dean for academic and student affairs).
<p>Other (as the proposer wishes to add)</p>	