



ASSUMPTION UNIVERSITY
MARTIN de TOURS SCHOOL OF MANAGEMENT AND ECONOMICS
DEPARTMENT OF FINANCE
COURSE SYLLABUS
SEMESTER 1/2017

COURSE TITLE

FIN3712 : MONEY AND CAPITAL MARKETS

Pre-requisite(s) : FIN2700 MONEY, BANKING AND FINANCIAL MARKETS (OR)
ECO3713 ECONOMICS OF MONEY AND BANKING

***** This subject is a major required course for students ID511XXXX – 541XXXX.*****

***** This subject is a major elective course for students ID551XXXX and 59XXXXX.*****

***** This subject is for students (ID 511XXXX – 59XXXXX) from other majors choosing Plan B: Finance and Banking.*****

COURSE INFORMATION

Lecturer : Name: Dr. Visit Phunnarungsi
Email: visit_thailand@hotmail.com
Office: SM320
Office Hour: By appointment
Class Time: Tuesday (9:00-12:00) at SM206

Course Materials : <http://www2.lms.au.edu/>

ASSUMPTION UNIVERSITY: UNIQUENESS

Martin de Tours School of Management and Economics also adopts the uniqueness characteristics of the University as **“An International Catholic University”**

ASSUMPTION UNIVERSITY: IDENTITY

Martin de Tours School of Management and Economics also adopts the identity of the University. Identity of Assumption University Students: **Ethics, English Proficiency and Entrepreneurial Spirit.**

MARTIN de TOURS SCHOOL OF MANAGEMENT AND ECONOMICS' VISION

To be distinguished business school with an international learning environment producing quality graduates

MARTIN de TOURS SCHOOL OF MANAGEMENT AND ECONOMICS' MISSION

Educating graduates with **entrepreneurial spirit, global competency, and social responsibility.**

- By nurturing business knowledge and skills to develop creative business solutions;
- By developing business communication skills and appreciation of diversity;
- By fostering ethical awareness to act in the benefit of the society at large

COURSE DESCRIPTION

The course introduces the structural characteristics of the money and capital markets such as the operations, regulations, management, instruments, market participants, and their roles in the financial environment. Topics include how financial intermediaries facilitate the flow of funds, their operations, products and services, and how interest rates change with the market conditions as well as the impacts of such changes on the values and prices of financial securities.

COURSE OBJECTIVES

Upon completing the course, students are able to:

- Explain the importance of financial systems
- Explain the characteristics of various types of financial markets
- Explain the characteristics, the uses and sources of funds, products and services as well as the management of various types of financial institutions
- Explain the terminology, characteristics and the uses of various types of financial instruments
- Explain the importance of the central bank, its roles and the impacts of its monetary policy on financial institutions and financial markets
- Analyze the changes in flow of funds, values and prices of the financial instruments in respect to the changes in interest rates and market conditions
- Give recommendations to market participants based on the knowledge about financial institutions, money and capital markets as well as how to use various types of financial instruments

TEXT BOOKS AND RECOMMENDED READINGS

Money and Capital Markets: Financial Institutions and Instruments in a Global Marketplace (10th Edition), Peter Rose and Milton Marquis, McGraw-Hill Irwin.

MARKS ALLOCATION***

Quiz 1 (In class)	:	7.5	%
Quiz 2 (In class)	:	7.5	%
Group Project: Report (6%) and Presentation (4%)	:	10	%
Financial News Analysis	:	5	%
Midterm Examination	:	30	%
Final Examination	:	40	%
Total	:	100	%

*** SEE ALSO SPECIAL INSTRUCTIONS/NOTES

EXAMINATION SCHEDULES

	DATE	TIME	PLACE	Remarks
Quiz 1	September 12, 2017 (Tue.)	09:00-10:00	S	In class quizzes and no make-up quizzes are allowed
Quiz 2	November 14, 2017 (Tue.)	09:00-10:00	S	
Midterm Examination	October 5, 2017 (Thu.)	09:00-11:00	S	
Final Examination	December 13, 2017 (Wed.)	13:00-16:00	S	

Last day to withdraw with W: November 23, 2017 (Thu.)
(Withdrawing after this date, the students need a chairperson's approval)

SPECIAL INSTRUCTIONS/NOTES

- *** SEE ALSO CLASSROOM POLICIES.
- Non-programmable calculators and financial calculators are allowed.
- Quizzes are conducted during the class time.
- **No make-up quizzes will be allowed regardless of any reasons.**
- Midterm and Final: All exams are conducted at the campus of your respective class.
- Students will not be eligible to enter the examination room, hence not eligible to take the examination after the first 10 minutes of the examination regardless of the students' reasons.

TENTATIVE CLASS SCHEDULE

Period	Chapter	Topic	Self-studied Topics	Remarks
1-2	Ch. 1 & 2	- Functions and Roles of the Financial System in the Global Economy - Financial Assets, Money, Financial Transactions, and Financial Institutions	- Types of financial markets - Characteristics and types of financial assets - Money and its functions	Lesson I: Financial system and its link to financial assets, money markets, capital markets and information
3-4	Ch. 3 & 4	- The Financial Information Marketplace - The Future of the Financial System and Trends in the Money and Capital Markets		
5-6	Ch. 5	- The Determinants of Interest Rates	- The loanable fund theory	Lesson II: Determinants of interest rates and their link to asset prices
7-8	Ch. 6	- Measuring and Calculating Interest Rates and Financial Asset Prices		
Quiz 1				
9-10	Ch. 7	- Inflation, Yield Curves, and Duration: Impact on Interest Rates and Asset Prices	- Term structure of interest rates	
11-12	Ch. 8	- The Risk Structure of Interest Rates		
13	Ch. 10	- Introduction to the Money Markets	- Money market instruments	Lesson III: Money markets, their roles and participants
14	Ch. 11	- Commercial Banks and Major Corporations in the Money Markets	- Money market instruments	
MIDTERM EXAMINATION				

Period	Chapter	Topic	Self-studied Topics	Remarks
15-16	Ch. 20	- The Market for Corporate Stock		Lesson IV: Capital markets
17-18	Ch. 14 & 15	- The Commercial Banking Industry: Structure, Products and Management - Nonbank Thrift Institutions: Savings and Loans, Savings Banks, Credit Unions, and Money Market Funds	- Thrift institutions	Lesson V: Financial institutions, their components and regulations
19-20	Ch. 16	- Mutual Funds, Insurance Companies, Investment Banks, and Other Financial Firms		
Quiz 2				
21-22	Handouts	- The Bank of Thailand - Financial Institutions and Financial Markets in Thailand		Lesson VI: Thailand's financial institutions and financial markets
23-24	Ch. 19	- Business Borrowing: Corporate Bonds, Bank Loans and Other Forms of Business Debt		Lesson VII: Debt instruments: Personal borrowing and business borrowing
25-26	Ch. 21 & 22	- Consumer Lending and Borrowing - The Residential Mortgage Market		
27	Ch. 23	- International Transactions and Currency Values		Lesson VIII: International financial transactions
28	Ch. 24	- International Banking		
29-30		- Term Project Presentation		
FINAL EXAMINATION				

CLASSROOM POLICIES

- **Students need to comply with AU Dress Code, Time Conflict Examination Regulations, Laws on Smoking Cigarette, and Restrictions on Foods and Drinks V10.1, June 2010.**
- **Attendance policies:**
 - 2 times of ten-minute late for class is considered as 1 absence.
 - Make-up classes are not allowed.
 - **80% attendance** is strictly required regardless of any reason.
 - No checking attendance for other classmates. Violation of the policies will result in being automatically withdrawn from the class.
 - Attendance is checked since the first day of class regardless of any reason. Thus, **students' excuses for absences including adding the subject late, medical reports, being away for work and travel programs, etc. will not be considered under any circumstances.**
- **Manner in class:**
 - Behave in a polite manner
 - Pay respect to instructors and class participants
 - Turn off all communication devices
 - Do not leave and re-enter the classroom
 - **Prohibited manners:** Eating, drinking, chatting, talking on the phone, using any kind of communication devices, text-messaging, sleeping, reading other materials, doing other subjects' assignments/homework, walking in-out, etc.
 - **Improper behavior will result in no attendance checked.**
- **Dress code:**
 - Follow AU dress code
 - Improper dress code will result in no attendance checked.
- **Class assignments (Homework, reports, project, presentation, paper, etc.):**
 - No Plagiarism.
 - **Cheating and/or plagiarism of any assignments and/or projects will not be tolerated. It will result in failure or "F" of the course and other disciplinary action.**
 - Submit all class assignment on time, both soft copy and hard copy, where applicable.
 - **Late submission will not be graded.**

- **Class participation:**
 - Not the same as attendance
 - Be participative and attentive in class
 - The students are also required to comply with all classroom policies.
 - Violation of the classroom policies will result in “zero” or “negative” participation marks and/or “no attendance” checked.
- **Request for make-up quizzes (if applicable):**
 - The students requesting for the make-up quizzes need to submit their names with valid evidence (ABAC related issues) to the respective lecturer within the specified dates.
 - Failure to do so, the students will NOT be allowed to take the make-up quizzes.
- **Grade inquiry:**
 - The students can request for a review for their marks or grades.
 - The students need to **submit petition** to the respective Chairperson at Martin de Tours School of Management and Economics **Office** at D Building, 6th floor, Huamak Campus or **MSM Building**, 2nd floor, Suvarnabhumi Campus within **ONE-MONTH period** after their marks or grades have been officially announced. Petition submitted after the specified period will **NOT be considered**.
 - **Reevaluation process:** The students’ class assignments or exam answer scripts will be reevaluated by the internal committees assigned by the respective department. Please note that the students’ marks may or may not be adjusted after the reevaluation process and it can also be higher, lower, or unchanged. The result of the reevaluation is considered as a “**final consensus**” between the students and the committees.

ADDITIONAL INFORMATION

- The following topics are assigned as self-reading topics as they are included in FIN2700 (the pre-requisite for FIN3712):
 - Types of financial markets
 - Characteristics and types of financial assets
 - Money and its functions
 - The loanable funds theory
 - Term structure of interest rate
 - Money market instruments
 - Thrift institutions
- **Financial News Analysis: Individual Assignment (5%):**
 - Select one interesting financial news during **August 1, 2017 - present**. Examples of financial news will be shown in the class while teaching.
 - Provide the source and date of selected financial news. Clearly explain and analyze how the chosen news related to the concept(s) or knowledge the students learnt in classes (whole semester). Students may support the explanation and analysis with appropriate graph(s).
 - Marking criteria: Interesting and correctness of concept(s) or knowledge application and analysis
 - Submit hard copy of financial news and the analysis on **November 21, 2017 (in class)**. No need to use expensive cover page/binding (just staple your work on the upper-left corner).
 - Also, email soft file to me via visit_thailand@hotmail.com by **9.00 p.m. of November 21, 2017**.
 - **Late submission will not be graded. No any excuses for late submission for both soft file and hard copy accepted.**
- **Group Project (10%):**
 - The group project is allocated into (1) Report (6%) and (2) Presentation (4%).
 - Topic and details information about the project, allocation of group members and how to use **Turnitin** will be provided in the classroom.
 - The tentative submission date and presentation date is **November 28, 2017**.
 - The purpose of teaching students how to use Turnitin is to help them to check the assigned term group project in order to avoid plagiarism.
- **Special Training (in class):**
 - The lecturer plans to provide special training on “Share Repurchase” topic while teaching Chapter 20 (The Market for Corporate Stock).

AU Dress Code Requirements

Following are the University's dress codes students are obligated to strictly observe upon entering campus, attending classes, and using the University's facilities on weekdays, except in sport arenas, AU mall and resident halls:

- ✓ *Tuck the rim of their shirts or blouses in their trousers or skirts,*
- ✓ *Wear only black, brown, dark blue or gray coloured trousers (for male students), and knee-length straight skirts (for female students)*
- ✓ *Please note that when attending the University's formal functions i.e. examinations, quizzes, ethic seminar, class presentations, field trips etc., students are required to wear full uniform with the design stipulated in the University's dress code.*

Furthermore, the dress codes also proscribe the wearing of the following:

- × *below-waist trousers or skirt.*
- × *tight trousers/blouses, or short skirt.*
- × *trousers or skirts made from jeans, corduroy or velvet.*
- × *trousers with the design resemble to jeans (for male students).*
- × *half-pleated skirt with design similar to straight skirt on the upper part and pleated skirt on the bottom part (for female students).*

- ⊙ ***Breaching the aforementioned dress codes will result in students being denied entry or being requested to leave the university's premises, or being dismissed from classes – in such case, students may lose their class attendance. The rule of debarment will also be applied to the students with less than 80% class attendance.***

(Lecturers and university officers have been authorized to deny university entry permission to students violating this regulation and to request them to leave university's premises, as well as to confiscate their student ID card)

- ⊙ ***Please note that all AU students are obligated to carry the University's student ID card upon entering the University's premise, and present it to the University Officers upon being requested. Failing to present their student ID card irrespective of reasons will subject students to a fine of up to 200 baht.***

Remark: Students whose ID cards are confiscated are required to contact Students Affairs Office (13th floor, CL Building; or 3rd floor, Students Organization Building for the ID card being confiscated at Suvarnabhumi campus or HuaMak campus respectively), within 5 working days after their ID cards are confiscated to retrieve their ID cards, pay a fine of up to 200 baht, and be informed about other punitive actions, if any. Students who do not retrieve their ID cards within the stated period will be required to apply and pay 200 baht fee for their new students ID card. The process of applying for the new ID cards requires students to obtain a letter from Office of Students Affairs to verify the termination of their ID cards, and subsequently contact the Bank officers for their new ID cards.) For future reference, it is advisable for the students to ask for names of lecturers or officers who confiscated their ID cards.

"Time Conflict Examination Application Procedure"

Period to apply for time conflict examination.

- AT1. **As stipulated in the registration regulations, only graduating students will be allowed to appear for the time conflict examinations without obtaining Dean's approval, provided that their petition is turned in to the Office of Registrar within specified period (refer to AT3), as such, the non-graduating students must ascertain during the pre-registration and adding periods that the subjects they prefer to enroll or add do not have examination time conflict.**
- AT2. **Should the non-graduating students wish to enroll or add the subjects with conflicting examination time, advices and approval for the time conflict examination must be obtained from the Dean prior to their registration of the subjects. The Dean concerned may exercise his/her discretion in declining the non-graduating students' request for time conflict examination. The decision of the Dean pertaining to the request is final.**
- AT3. **All petitions for the time conflict examination for both graduating and non-graduating students who obtain the Dean's approval must be submitted to Office of Registrar within the first three weeks (15 working days) of the semester/summer session.**
- AT4. **The students need to keep the "receipt" issued by the Office of Registrar, and present it to the Office in case that their names are not included in the "time conflict examination list".**
- AT5. **Ignorant of the Time Conflict Examination Application Procedures or personal reasons causing students to miss the Time Conflict Examination Application's dead line are not justifiable reasons for the late submission of the Time Conflict Examination Application.**

Checking the time conflict examination schedule and venue

SV1. *The students are also required to contact Office of the Registrar five working days before the first day of the examination period for the time conflict examination schedule as well as the "time conflict examination room". Usually the date of the examination with time conflict would remain unchanged, while the examination time would be rescheduled i.e. one subject would take place before the other - "back-to-back examinations", and the venue would be the examination room designated only for "Time Conflict Examination".*

Venue for Time Conflict Examination

The students must appear for the examinations, only in the assigned "Time Conflict Examination Room". *Should the students sit for the examination of any subject with time conflict examination in regular examination rooms, they will not be allowed to appear for another examination or apply for "late examination", and will hence obtain automatic withdrawal for the subject.*

Law on smoking cigarette

As the Health Ministry stipulates the University as a health protection area where smoking is prohibited, hence ***smoking cigarette is only allowed in the designated areas.*** Breaching the law will subject students to a fine of **2,000 baht.**

Restrictions on Foods and Drinks in the classroom buildings

Foods and Drinks are not allowed to be brought into classroom buildings. *Should the students violate the regulation, their students' ID card will be confiscated.*

Office of Vice President for Academic Affairs