

Course title		Finance						ECTS code		14.3.EM.PL.132		
								ECTS credits		7		
Name of unit administrating study		IHZ		Field of study		MSG**		Field of specialisation		IB;		
Teaching staff		Magdalena Markiewicz, Ph.D. ; Joanna Bednarz, Associate Professor ; Iwona Sobol, PhD ; Joanna Adamska-Mieruszewska, Ph.D.										
Number of hours												
Lectures	23	Classes	22	Tutorials	0	Laboratory	0	Seminars	0	Language classes	0	
Forma aktywności							Year&Type of studies*		1 SS1,			
Hours with the participation of the academic teacher (including office hours, exams, others):							Semester:		2,			
Hours without the participation of the academic teacher (student's self-study, homeworks):							Type of course:		obligatory			
Total number of hours:							0		Language of instruction:		English	
Teaching form	in-class learning											
Teaching methods	Lectures including multimodal presentations, Activating methods in training classes, The use of English-language sources and scientific literature (academic English).											
Prerequisites (required courses and introductory requirements)												
Required courses	Macroeconomics											
Introductory requirements	Basic knowledge of macroeconomic aspects is useful for better understanding of financial markets relations.											
Assessment method, forms and criteria												
Assessment method	Exam											
Assessment criteria	<p>Written examination is a form of evaluation of the lectures. It is based on the knowledge from the lectures and a reading study. The reference database include books and academic research papers.</p> <p>The classes's assessment includes final written test (60%) and problem solving in groups and individually and homework tasks (40%).</p>											
Course objectives												
The aim of the course is to make a student able to recognize the economic processes and institutions in modern finance in the domestic, international and global scale. The aim is also to deepen the knowledge of academic English vocabulary in finance at advanced language level.												
Learning outcomes												
Knowledge	MSG1_W02	A student defines the functions of financial markets and the aims of the institutions operating there. He/she has primary and concise knowledge of the financial markets' foundations and a variety of financial instruments.										
	MSG1_W03	He/she knows the models of the financial systems and understands the background for their development in the domestic and international context. He/she interprets properly the meaning of banking supervisory and depositary funds.										
	MSG1_W10	A student is aware of the interest rates' impact on the markets. A student identifies the reasons and effects of international capital flows and the scale of foreign capital in the banking sector. A student has knowledge of functioning the financial markets and banking systems.										
	MSG1_W11	A student understands the behaviour of the financial markets, such as currency and money markets, capital, banking and credit markets.										
	MSG1_W17	He/she recognizes the basic elements of derivatives. A student defines and recognizes the structure of capital and the financial statements: income statement, balance sheet, statement of change in financial position.										
Verification of learning outcomes - Knowledge												
Outcomes												

	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project
MSG1_W02	X										
MSG1_W03	X										
MSG1_W10	X		X					X			
MSG1_W11	X		X					X			X
MSG1_W17			X					X			

Skills	MSG1_U01	A student analyzes the determinants and consequences of financial processes, collects and measures the statistical data and economic indicators concerning the development of the financial markets with the aim to draw conclusions.
	MSG1_U04	A student identifies the sources of risk, nature and consequences of development in the global markets.
	MSG1_U06	Student is able to use the available information about the financial markets.
	MSG1_U07	A student identifies the challenges of working in financial institutions domestically and internationally.
	MSG1_U11	He/she is able to point the questions and resolve the dilemmas arising in the workplace.

Verification of learning outcomes - Skills

Outcomes	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project
MSG1_U01	X		X					X			X
MSG1_U04	X		X					X			X
MSG1_U06	X		X								X
MSG1_U07	X		X					X			
MSG1_U11	X		X								X

Attitudes	MSG1_K01	A student recognizes the limitations of knowledge and skills and therefore he/she is aware that it is necessary to expand and complement knowledge in finance and banking area throughout the working life.
	MSG1_K04	A student demonstrates accountability for his/her work. He/she acts in an entrepreneurial way training such skills like planning, budgeting and assessment of the risk.
	MSG1_K06	The student actively participates in the activities and takes the initiative in the implementation of the assigned tasks to be working in a team to execute the group project

Verification of learning outcomes - Attitudes

Outcomes	written exam	oral exam	test	essay/paper /portfolio	tasks/ homeworks	individual presentation	group presentation	classroom activities	classroom discussion	individual project	group project
MSG1_K01	X		X					X			
MSG1_K04	X		X					X			X
MSG1_K06								X			X

Course contents
Lectures:

Introduction to finance. A financial system and a currency system - the definitions. Financial system liquidity. Financial institutions, instruments and financial markets - the main range, criteria and characteristics. The models of financial systems: a

bank-oriented and a securities market oriented model. Interest rates in the financial markets. LIBOR, WIBOR, EURIBOR rates. Central bank interest rates. The main instruments of monetary policy. Introduction to foreign exchange market - the definitions and functions. Size, organization and structure of FX market. Basic features of foreign exchange rate (base and quote currency, direct and indirect quotes, appreciation and depreciation of currency). Euro - adoption of Euro by EU countries, advantages and disadvantages of a common currency. The basics of capital market - functions and features of capital market. Factors determining demand and supply in capital market. Main instruments of capital market: shares, bonds and depositary receipts. Introduction to derivatives - definitions, functions, types. World derivatives market. Examples of derivatives based on interest rates - FRA and IRS. A banking system - the definitions, transactions and functions. The actual state of a banking system and perspective of development. The transformation of banking system in Poland. Foreign capital in the banking system - the advantages and disadvantages. Banking groups in Europe. International and European banking. Financial centers in the world: global, regional and offshore centers. Elements of investment banking: definition, institutions, operating at the market of investment banking. The systematic and the range of operations in investment banking. Hedge funds. Venture capital and private equity funds. Public offering and private placement. The role of rating agencies in the financial markets.

Classes:

Debt security market: money market - the definitions, functions, participants, legal aspects. Primary and secondary market. Monetary policy. Analysis of financial instruments with the criteria: security type, maturity, nominal value, issuer - treasury bills, certificates of deposit and commercial papers.

Debt security market: bond markets - time value of money, analysis of bonds; primary and secondary bond market, bonds as investments for individuals. Bond market in chosen countries.

Deposit account, interest, calculation of simple interest and compound interest, fixed and floating rates, other depositary products, depositary funds, Bank Guarantee Fund.

The basics of equity markets. Stock exchanges - the characteristics and instruments. Shares, depositary receipts and other financial instruments - the structure in the financial market - exercises, case study.

Capital market fraud. Capital market supervision and corporate governance - definitions.

The basics of credit markets - the definitions, functions, participants, legal aspects and the perspectives of development. Types of credits.

Mortgage banking - the functions, participants, legal aspects. Mortgage bonds - types and characteristics.

Introduction to derivatives - examples of derivatives.

Corporate finance management. The structure of capital. The goal of corporate finance, the functions of the Financial Manager.

Corporate finance management. The structure of capital - the financial statements: income statement, balance sheet, statement of change in financial position, the main goals of planning and budgeting, profit planning, working capital management - exercises. Presentation of the projects prepared in groups.

Recommended reading lists
Obligatory reading:

D. Eiteman, A. Stonehill, M. Moffett, *Multinational Business Finance*, International Edition 11th, Pearson Education, 2006.

P. Howells, K. Bain, *Financial Markets and Institutions*, Prentice Hall, 2007.

W. L. Megginson, S. B. Smart, B. M. Lucey, *Introduction to Corporate Finance*, South Western Cengage Learning, 2008.

F. C. Mishkin, *The Economics of Money, Banking and Financial Markets*, Pearson, 2008, 2010 and later.

Selected articles for additional reading:

J. Bednarz, *Acquisition of Capital by Enterprises Composing Trans-national Corporations*, [w:] *Meeting Global Challenges*, red.

K. Żołądkiewicz, T. Michałowski, Working Papers Institute of International Business, nr 25, University of Gdansk, Sopot 2008.

I. Sobol, *Polish Market of Financial Derivatives*, [w:] *Journal of Emerging and Transition Economies*, red. Y. Arbak, I. Sobol, Dokuz Eylul University and University of Gdansk, 2008.

Contact

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* SS1- undergraduate studies * SS2 - graduate studies * SDang - doctoral studies

** MSG - International Economic Relations