

Course title		Finance						ECTS code		14.3.EM.PL.132	
								ECTS credits		6	
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, Habilitated doctor ; Joanna Adamska-Mieruszewska, Ph.D. ; Przemysław Wyśiński, MSc.									
Number of hours											
Lectures	30	Classes	30	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):						58,8	Semester:		2,		
Hours without the participation of the academic teacher (student's self-study, homeworks):						66,2	Type of course:		obligatory		
Total number of hours:						124	Language of instruction:		English		
Teaching form		in-class learning									
Teaching methods		Lectures including multimodal presentations, Activating methods in training classes,									
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, terminology and a variety of financial instruments.									
	MSG1_W04	A student 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_W07	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 the knowledge of functioning the international financial markets and banking systems. A student understands the behaviour of the financial markets, such as currency and money markets, capital, banking, credit and derivative markets.									
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		X								
MSG1_W04	X		X								

MSG1_W07	X		X								
Skills	MSG1_U01	A student analyzes the determinants and consequences of financial processes, explains the statistical data and economic indicators concerning the development of the financial markets with the aim to draw conclusions.									
	MSG1_U03	A student identifies the sources of risk, nature and consequences of development in the global markets. Student is able to use the available information about the financial markets.									

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_U03	X		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. He/she is aware of importance of resolving the dilemmas arising in the workplace making use of expert consultations and finding the solutions and sources of knowledge independently and in teams.									
	MSG1_K04	A student demonstrates accountability for his/her work. He/she acts in an entrepreneurial way, actively participates in the activities and takes the initiative in the implementation of the assigned tasks working in a team. He/she is able to point the questions and resolve the dilemmas arising in the workplace. A student identifies the challenges of working in financial institutions domestically and internationally.									

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			

Course contents
Lectures:

1. Introduction to finance. A financial system and a currency system - the definitions.
2. The models of financial systems: a bank-oriented and a securities market-oriented model. Financial institutions, instruments, and financial markets - the main range, criteria, and characteristics.
3. Introduction to the foreign exchange market - the definitions and functions. Size, organization, and structure of the FX market.
4. Basic features of the foreign exchange rate (base and quote currency, direct and indirect quotes, appreciation and depreciation of currency). Euro adoption by the EU countries, advantages and disadvantages of a common currency.
5. The basics of the capital market - functions and features of the capital market. Factors determining demand and supply in the capital market.
6. Main instruments of capital market: shares and bonds.
7. A banking system - the definitions, transactions, and functions. The structure of a banking system. Types of banks, the role of banks, and the banking sector in the economy. Technology transformation in the banking system - the advantages and disadvantages. Financialization of the services.
8. The types and role of banks in Islamic banking.
9. Elements of investment banking: definition, institutions, operating at investment banking market. The systematic and the range of operations in investment banking. Hedge funds. Public offering and private placement.
10. Financing start-ups and restructuring in the companies. Venture capital funds and private equity funds.
11. The role of anti-money laundering regulations (AML). KYC/AML processes - new requirements for the companies and the financial institutions.
12. The foundations of financial supervisory. Consolidated and integrated supervisory. Supervisory over the specific financial markets. Financial supervisory in the European Union.
13. Rating types, characteristics, and deterioration. The role of ratings in the financial markets.

14. Financial market cycles and crises. The impact of the crises on different financial markets and on the real economy.
15. Introduction to derivatives - definitions, functions, types.
16. World derivatives market. Examples of derivative instruments.

Classes:

1. Overview of the financial markets. Role of financial markets in the economy. Types of financial markets.
2. Time value of money. Present value and future value. Time value of money applications. Definition of risk and return.
3. Interest rates. Types of interest rates. Importance of interest rates in finance and the economy. Factors affecting interest rates. Monetary policy.
4. Deposit account, interest, simple interest, and compound interest calculation, fixed and floating rates, other depositary products.
5. Credit markets. Definitions, functions, participants, and importance of credit markets in finance and the economy. Types of credits and loans. Loan structure and features.
6. Money markets. Definition and characteristics of money markets. Money market securities. Yield calculations. Exercises.
7. Capital market. Introduction to capital markets. Bond markets. Introduction to bond markets. Types of bonds. Bond pricing. Exercises.
8. Stock market. Types of stocks. Stock exchange. Dividend and dividend policy. Stock market indices.
9. International capital market. Foreign bonds, Eurobonds, depositary receipts. Corporate governance. Case studies.
10. Equity crowdfunding. Introduction to crowdfunding. Types of crowdfunding. Crowdlending.
11. Introduction to a valuation of stocks and bonds. Valuation of stocks. Dividend discount model. Valuation of bonds
12. Mutual Funds and ETFs. Overview of mutual funds and ETFs. Types of funds. Advantages and disadvantages.
13. Corporate finance management. Capital structure. Purpose of corporate finance. Functions of the CFO and other employees. Cash flow analysis. The company's ability to pay.
14. Corporate finance management - practical exercise on the example of a start-up.
15. Personal finance. Introduction to personal finance. Savings and investing. Case study.

Recommended reading lists
Obligatory reading:

F. C. Mishkin, *The Economics of Money, Banking and Financial Markets*, Pearson, 13th Edition, 2022.

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.

Selected articles for additional reading:

J. Bednarz, *Acquisition of Capital by Enterprises Composing Transnational 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.

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

** MSG - International Economic Relations