



Carleton
University

Sprett
School of Business

CARLETON UNIVERSITY

Global Financial Markets & Institutions
Finance
BUSI 4505/ Section A
Winter 2023

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CLASS TIME: Tuesday 06:05 pm to 08:55 pm
Modality: 3 hours in- class

UNDERGRADUATE CALENDAR DESCRIPTION:

Comprehensive view of the world's financial markets and institutions. The primary focus will be on the purpose and practice of financial institutions, and the specifics of the financial instruments available to the firm and investor.

Pre-requisites & precluded Courses:

Students enrolling in this course must meet the following prerequisites: BUSI 2505 with a grade of C+ or higher, and STAT 2601 or STAT 2606 with a grade of C- or higher in each.

Course Description:

Financial markets and institutions continue to evolve, being driven by the forces of innovation, globalization and deregulation. These forces have: (i) led to the deepening of the integration of financial markets, (ii) improved the efficiency of the operation of global financial markets, and (iii) increased the institutionalization

of the financial markets through a shift from the retail investor to domination by financial institutions such as pension funds and commercial banks.

The course also examines the complex organizing and efficiency roles the global financial institutions and financial markets play in making financial markets work. The course will further examine the structure of the financial system including the roles of central banks, financial intermediaries, international financial institutions, financial innovation such as e-finance and the regulation of financial institutions to minimize systemic failures.

Learning Outcomes:

The purpose of this course is to accomplish the following:

- a) Convey concepts, tools, and frameworks fundamental to the understanding of the global financial markets and the institutions that ensure their well-functioning.
- b) Use real life cases and current market events and issues to illustrate how financial markets and institutions work in the real world for the practicing manager.

On successful completion of this course the participant will have mastered the fundamental financial market concepts and techniques and acquired the skill and ability to apply these techniques to financial problem solving and decision-making in a global financial market context. The skills developed through this course will further the participant's career and understanding of global financial market events and provide a better understanding of the controversies surrounding hotly debated global financial market issues.

Reading(s)/Textbook(s)/Required Materials:

Textbook (Required: Financial Markets and Institutions, **FM& I**, 13th Edition, by Jeff Madura, published by Cengage. ISBN 978-0-357-13079-7

Subsequent text: Not required to purchase. International Financial Management, **IFM**, 14 Edition, by Jeff Madura published by Cengage, ISBN- 978-0-357-13054-4. Chapters 2-3 available on Ares.

Recommended Financial Market News Resources

Commentary from the Federal Reserve System

Commentary from the Bank of Canada

National Post

Globe and Mail

The Economist

The Wall Street Journal

The Financial Times

Bloomberg News

Course Requirements & Methods of Evaluation (including due dates):

The pedagogical approach adopted in this course is a combination of: (i) recorded lectures; augmented by (ii) in-class discussion of current financial market issues; (iii) in-class case reviews and point/counterpoint discussions; (iv) quizzes and final exams.

Each class will commence with 15 minutes in-class discussion of current global financial market topical issues of the week gleaned from the various news sources. Each student is required to come to class prepared to discuss at least one key global financial market issue of the week.

Course Evaluation

Evaluation	Details	Marks	Due Date
Quiz 1	Multiple Choice Questions	15	Feb 14
Group Project	Part A	10	Feb 28
Group Project	Part B	10	March 14
Quiz 2	Multiple Choice Questions	15	April 4
Group Research Report	Report submission and in class presentation	20	Feb 7
Group Research Note	Note submission and in class discussion	10	Through the course
Group Project	Part C	10	April 4
Current Topic	In class presentation	10	Through the course

TEAMS/GROUPS: *You should form into groups of 4 (not larger); Group project, Group research report, and group research notes are to be done by the group. Groups must be formed by the end of the first week of class. Please send me an email containing the names and email addresses of the members of your group (see template at end of course outline)*

Current Global Financial Market Issue/Topic of the Week

Each student will come to class ready to discuss at least one global financial market topic of the week, gleaned from any of the various news sources.

In preparing for the discussion of the topical issue, students must be ready to orally: (i) Briefly describe the key components of topical issue; (ii) explain the key implication(s) of the issue on participants of the global financial market and the institutions that run it; (iii) state your personal opinions and conclusions you can draw from the topical issue.

Group Project

Students will be asked to analyze the following types of institutions: Commercial Bank, Mutual Fund firm and an Insurance Company. The requirements for this comprehensive group project can be found in Brightspace. Each group will choose one Commercial Bank, and one Mutual Fund company and one Insurance company to analyze. Report must be submitted in three parts and requirements of each part will be outlined in Brightspace. The report should be 15-20 pages (12 font, double spaced) not including appendices, if any.

Quizzes

Students are required to take two multiple choice quizzes, each representing 15% of the total marks for the course. Please refer to the Course Schedule below or the Course Requirements & Methods of Evaluation above, for the respective date of the quiz. Quizzes will cover all textbook material learned to that point. The only valid excuse for missing a Quiz is for medical reasons or death in the family and must be documented with a medical certificate. Any other reason (such as travel, etc.) will not be considered.

Students who miss a Quiz without valid reasons will receive zero marks.

Group research paper: The research report needs to be completed by each group and submitted in Brightspace and a presentation by each group on their research report will be done in class. The details of the research paper requirements will be available on Brightspace.

Group Research Note: Per the schedule provided on Brightspace, minimum two groups will prepare their respective research note and will debate their market hypothesis and analysis in the class. (it would be more like a newsroom debate). More details on the requirements of research note will be available on Brightspace.

Course Schedule:

Session	Date	Topics	Chapters
1	10 January	Course Outline Role of Financial Markets and Institutions	1 FM & I text
2	17 January	International Flow of Funds International Financial Markets	2- IFM text- Ares 3- IFM text - Ares
3	24 January	Foreign Exchange Derivative Markets	16- FM & I text
4	31 January	Money Markets Bond Markets	6- FM & I text 7- FM & I text
5	7 February	Stock Offerings and Investor Monitoring Market Microstructure and Strategies Group Research Report	10- FM & I text 12- FM & I text

6	14 February	Quiz # 1 Commercial Bank Operations	17- FM & I text
	21 February	Winter Break – No Classes	
7	28 February	Finance Company Operations Mutual Fund Operation Group Project Part A	22- FM & I text 23- FM & I text
8	7 March	Pension Fund Operations	26- FM & I text
9	14 March	Bank Regulations Bank Management Group Project Part B	18- FM & I text 19- FM & I text
10	21 March	Bank Performance Thrift Operations	20- FM & I text 21- FM & I text
11	28 March	Forex Transaction exposure Forex Translation Exposure Forex Economic Exposure	Material will be shared in class
12	4 April	Securities Operations Insurance Operations Group Project Part C Quiz #2	24- FM& I text 25- FM & I text
13	11 April	Review Session-available for your questions-no new/additional materials. Group Research Report Presentation	

Group Form:

Please use the following form to submit group member details, and topic selections. Each group must choose one person who is to correspond with the instructor on topic selection and indicate with an X in the second column the identity of that person.



PLEASE PRINT CLEARLY

		Name	Carleton Email address	Student Number
1.				
2.				
3.				
4.				
5.				

Peer Evaluation Form
BUSI 4505A Global Financial Markets and Institutions
Winter 2022

Note on Confidentiality

The information on this form is protected and will remain confidential after it is submitted. The form will be destroyed after the official marks are finalized and announced by the University authorities.

My Name: _____

My Student Id: _____

My Group Name or #: _____

Names of my Group mates	My evaluation of my group mates (out of 100%)
1.	
2.	
3.	
4.	
5.	
6.	

Comments, Justifications, Concerns (if any):

Date, sign and return to professor

Date: _____

Signature: _____

Contribution to Learning Goals of the Program ([BCom](#), [BIB](#)):

Program Learning Goal	Not Covered	Introduced	Taught but Not Assessed	Taught and Assessed
BC1 Knowledge Graduates will be skilled in applying foundational business knowledge to appropriate business contexts				✓
BC2 Collaboration Graduates will be collaborative and effective contributors in team environments that respect the experience, expertise and interest of all members				✓
BC3 Critical Thinking Graduates will be discerning critical thinkers, able to discuss different viewpoints, challenge biases and assumptions, and draw conclusions based on analysis and evaluation.				✓
BC4 Communication Graduates will be effective and persuasive in their communications.				✓
BI5 Global Awareness (BIB ONLY) Graduates will be globally-minded	N/A			

Course Sharing Websites

Materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52
F = Below 50			

Grades entered by Registrar:

WDN = Withdrawn from the course

DEF = Deferred

Academic Regulations

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request, the processes are as follows:

Pregnancy obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Religious obligation

Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the Equity Services website: carleton.ca/equity/wp-content/uploads/Student-Guide-to-Academic-Accommodation.pdf

Academic Accommodations for Students with Disabilities

If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. carleton.ca/pmc

Survivors of Sexual Violence

As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and its survivors are supported through academic accommodations as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit: carleton.ca/sexual-violence-support

Accommodation for Student Activities

Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. <https://carleton.ca/senate/wp-content/uploads/Accommodation-for-Student-Activities-1.pdf>

For more information on academic accommodation, please contact the departmental administrator or visit: students.carleton.ca/course-outline

Academic Integrity

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another's ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated.

Process: If an alleged violation occurs, all relevant documentation will be forwarded to the Dean. If the allegation proves true, the penalties may include; a grade of Failure on the submitted work and/or course; academic probation; a refusal of permission to continue or to register in a specific degree program; suspension from full-time studies; suspension from all studies at Carleton; expulsion from Carleton, amongst others. **For a first offence, at a minimum, the penalty assigned will normally be a zero on the submitted work and at least a minimum full grade reduction of the final course grade. For a second offence, at a minimum, the penalty assigned will normally lead to a suspension from studies.**

Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at: <https://carleton.ca/registrar/academic-integrity/>.

Sprott Student Services

The Sprott Undergraduate Student Services Office offers program advising and overall student success support. Our team is available to discuss your academic goals and your program progression plans. We can also work with you to develop strategies for success, including study skills for Business. If you experience any difficulty this term or if you would like to access support, please contact our team at bcom@sprott.carleton.ca or at bib@sprott.carleton.ca.

Centre for Student Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and

outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at: carleton.ca/csas.

Important Information:

- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean's approval.
- For us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CARLETON address. Therefore, in order to respond to your inquiries, please send all email from your Carleton CMail account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://carleton.ca/its/get-started/new-students-2/>

Covid-19 Information:

It is important to remember that COVID is still present in Ottawa. The situation can change at any time and the risks of new variants and outbreaks are very real. There are [a number of actions you can take](#) to lower your risk and the risk you pose to those around you including being vaccinated, wearing a mask, staying home when you're sick, washing your hands and maintaining proper respiratory and cough etiquette.

Feeling sick? Remaining vigilant and not attending work or school when sick or with symptoms is critically important. If you feel ill or exhibit COVID-19 symptoms do not come to class or campus. If you feel ill or exhibit symptoms while on campus or in class, please leave campus immediately. In all situations, you must follow Carleton's [symptom reporting protocols](#).

Masks: Carleton has paused the [COVID-19 Mask Policy](#), but continues to strongly recommend masking when indoors, particularly if physical distancing cannot be maintained. It may become necessary to quickly reinstate the mask requirement if pandemic circumstances were to change.

Vaccines: Further, while proof of vaccination is no longer required as of May 1 to attend campus or in-person activity, it may become necessary for the University to bring back proof of vaccination requirements on short notice if the situation and public health advice changes. Students are strongly encouraged to get a full course of vaccination, including booster doses as soon as they are eligible, and submit their booster dose information in [cuScreen](#) as soon as possible. Please note that Carleton cannot guarantee that it will be able to offer virtual or hybrid learning options for those who are unable to attend the campus.

All members of the Carleton community are required to follow requirements and guidelines regarding health and safety which may change from time to time. For the most recent information about Carleton's COVID-19 response and health and safety requirements please see the [University's COVID-19 website](#) and review the [Frequently Asked Questions \(FAQs\)](#). Should you have additional questions after reviewing, please contact covidinfo@carleton.ca.
