

FI 301
INTRODUCTION TO FINANCIAL INSTITUTIONS AND MARKETS
Spring 2008

Instructor: Clay M. Moffett

Office Hours: Mondays, Tuesdays, and Thursday 4:00 – 5:00 PM (or by appointment)
Room 341 Bidgood
205.348.0237 (Office)
205.907.1407 (Cell)
E-mail: cmoffett@cba.ua.edu
Web site: www.claymoffett.com (link for class)

Course Description:

Financial Institutions and Markets is designed to give the you an understanding of the types and functions of financial institutions and the financial markets in which those institutions operate. This understanding is introductory in nature; therefore we will cover a lot of topics in varying levels of detail. Many of these topics will be covered in much greater detail in other finance classes, so a good understanding now will make your life easier in the future and prepare you for the joys ahead.

Course Prerequisites:

According to the University of Alabama Undergraduate Course Catalog, CBA students who seek to enroll in 300 and 400 level CBA courses must have earned 55 or more semester credit hours, must have completed or be enrolled in EC 110 and EC 111, MATH 112 and MATH 121 or MATH 115 and MATH 125, CS 102, AC 210, ST 260, and LGS 200, or their equivalents, and must have attained a grade point average of 2.0 or higher. Failure to comply with this policy will result in administrative disenrollment from these upper level courses.

Text:

Financial Markets and Institutions, 8th ed., Jeff Madura, South-Western Publishing.

Grading:

There will be two in class exams, each worth 25% of your grade. There will also be a comprehensive final exam accounting for 30% of your grade. The expected format is multiple choice, although some essay/problem questions may be incorporated as well. The remaining 20% of your grade will be determined by homework and class participation. The class participation portion of your grade will be based primarily on your interaction with the instructor in the classroom and your preparation for class. **NOTE: I cannot discuss grades over the phone or email, except in general terms.**

Class Participation/HW/Pops	20%
Test 1	25%
Test 2	25%
Final Exam	30%
Total	100%

Grades will be assigned as follows:

- 90.0 ≤ average = A
- 80.0 ≤ average < 89.9 = B
- 70.0 ≤ average < 79.9 = C
- 60.0 ≤ average < 69.9 = D
- average < 59.9 = F

Other Policies:

1. Attendance is not mandatory, but is extremely helpful. There will be things discussed in class that are not in the book, and that will be on the exam.
2. Proper manners and courtesy are expected. If you arrive late take the first available seat in the back. Turn off your cell phones/pagers before coming to class.
3. Ask questions! Chances are if you do not understand something, someone else also does not understand. Participation is part of your role in the class.
4. On an exam you may not use a graphing calculator of any variety. In addition, you may not use a cell phone or a PDA as a calculator on exams.
5. Any concerns about test grades must be discussed with me within 2 class days from the day I first hand the test back to the class. Any questions or concerns made after the two class day deadline (e.g. at the end of the term) will not be considered. Write neatly and cleanly on your exams/homework. ANY answer I cannot read or find easily is wrong.
6. Cheating is taken very seriously in this class. Failure to follow the instructions given by the instructor during a test will result, at a minimum, of a grade of 0 on your test. Further disciplinary measures may be pursued through the college.
7. Attendance is taken when the roll passes your seat. If you are not there when the roll passes, you are absent for that day. Be on time and stay the whole time if you want to be sure you have signed the roll. Do not ask me to sign the roll if you are late or if you leave early. The roll sheet is the only record I have of your attendance.
8. You may call or email me anytime with questions (I check email several times during the day or you may email me at home (claymof@charter.net) or text me. On the night before a test, the cutoff time is 8:00PM.

Accommodations:

Students with disabilities seeking reasonable accommodations are invited to register with the Office of Disability Services, 348-4285. Thereafter, you are invited to schedule an appointment with the instructor to discuss reasonable accommodation requests verified by the Office of Disability Services. No accommodations will be granted without registration with and documentation from the Office of Disability Services.

Topic Outline and Reading Assignments

(This outline is tentative and subject to change)

Class Meeting	Date	Chapter	Topic
1	January 9		Intro/Overview
2	January 11	Chapter 1	Role of Financial Markets
3	January 14	Chap 1 & Chap 2	Determination of Interest Rates
4	January 16	Chap 2 & 3	Structure of Interest Rates
5	January 18	Chap 4	Functions of the Fed
6	January 21		<i>MLK Birthday</i>
7	January 23	Chap 4 & 5	Monetary Policy
8	January 25	Chap 6	Money Markets
9	January 28	Chapter 7	Bond Markets
10	January 30	Chap 7	Review
11	February 1		Test I
12	February 4		<i>No Class</i>
13	February 6		<i>No Class</i>
14	February 8	Chap 8	Bond Valuation
15	February 11	Chap 8 & 9	Risk & Mortgage Market
16	February 13	Chap9 & 10	Stock Offerings
17	February 15	Chap 10 & 11	Stock Valuation
18	February 18	Chapter 11	Stock Risk
19	February 20	Chapter 12	Market Microstructure
20	February 22		Pop Quiz?
21	February 25	Chapter 12 & 13	Financial Futures
22	February 27	Chap 14	Options Markets
23	February 29	Chapter 15	Interest Rate Derivative Markets
24	March 3	Chap 15 & 16	Foreign Exchange
25	March 5	Chap 16	Foreign Exchange
26	March 7		Review
27	March 10 - 14		Test II
28	March 17		<i>Spring Break</i>
29	March 19		<i>Test Review</i>
30	March 21	Chap 17	Commercial Banking
31	March 24	Chap 17 & 18	Bank Regs
32	March 26	Chap 18 & 19	Bank Mgmt.
33	March 28	Chap 20	Bank Performance
34	March 31	Chapter 20 & 21	Thrift Operations
35	April 2	Chapter 21 & 22	Finance Operations
36	April 4	Chap 22 & 23	Mutual Fund
37	April 7		Homework Review
38	April 9		Pop Quiz?
39	April 11	Chapter 23	Mutual Funds
40	April 14	Chapter 23	Mutual Funds
41	April 16	Chapter 24	Securities Operations
42	April 18	Chapter 24	Securities Operations
43	April 21	Chapter 25	Insurance
44	April 23		Homework Review
45	April 25	Chapter 25	Insurance
46	April 28	Chapter 25	Pension Fund Operations
47	April 30		Review
Final Exam May 6 @ 8:00AM (for 10:00 class) and May 7 @ 11:30 (for 11:00 class)			