

	<u>Subject title:</u> <b>FINANCIAL MARKETS</b>			
<u>Subject code:</u>	<u>Subject Status:</u>	<u>Semester:</u>	<u>Credit value:</u>	<u>Teaching load:</u>
MBS/M04	Compulsory	IV	6	3L+2T

<u>Study programme:</u> Academic Undergraduate Studies: Financial Management
<u>Responsible Staff:</u> Assistant Professor Dragoljub Janković, PhD
<u>Pre-requisite:</u> Financial Management, Monetary Economy
<u>Mode of study</u> Lectures, tutorials, seminar papers, consultations, case studies, simulations
<u>Assessment:</u> Written: 2 mid-term tests = 40 points Oral: Final exam = 30 points Attendance, Student participation, Seminar paper & presentation, Homework = 30 points
<u>Objectives:</u> To introduce students to the financial system and its basic characteristics, primarily, markets, instruments and institutions. Financial markets represent one of the essential postulates of the market economy. The possibility of cash and capital transfer between different participants of social and economic life depends on their development and complexity. General social efficiency and overall economic growth also depend on the functioning efficiency of money market, capital market, foreign exchange and derivative market. Students will have an opportunity to learn about the most important principles of the functioning and elements of financial markets, in Montenegro and elsewhere in the world.

### **SYLLABUS:**

- Introduction to the subject. Financial market as a part of the financial system; Concept, roles and development of financial markets.
- Modern financial markets (characteristics, forms, principles, efficiency)
- Financial institutions
- Other financial institutions
- Financial instruments – bonds
- Financial instruments – shares
- Financial derivatives
- Financial market segments
- Money and foreign exchange market
- Primary and secondary markets

### **READING LIST AND REFERENCES:**

Jakob de Haan, Sander Oosterloo and Dirk Schoenmaker: *Financial Markets and Institutions - A European Perspective*, 2nd edition, Cambridge University Press, 2012

Zvi Bodie, Alex Kane, Alan J. Marcus: *Essentials of Investments*, 8th edition.