

28C00800 *Financial Markets and Institutions 6cr*

SYLLABUS

Spring, 2024

Instructor's contact information	Course information
Name: Vesa Puttonen E-mail: vesa.puttonen@aalto.fi Office: T303 Ekonominaukio 1, 3 rd floor Office Hours: Mondays 14-15 Instructor's Webpage: https://www.aalto.fi/en/department-of-finance/vesa-puttonen	B.Sc., mandatory course for Finance students Academic Year 2023-2024, Period III Jan 9-Feb 15 - Tuesdays 13:15-15 at A2-A215 - Thursdays 13:15-15 at A2-A215 Language of instruction: English

Contents:

The course covers the basics of commercial banking, investment banking, central banking, funds, insurance companies, and financial regulation.

Learning outcomes:

To provide a comprehensive view of financial markets and institutions as well as the developments during and since the global financial crisis.

By the end of the course, students will be familiar with the concepts of commercial banking, investment banking, central banking and shadow banking systems; pension funds; insurance companies and regulatory institutions. Students will understand the roots of the recent crisis and critically evaluate the advantages and disadvantages of the policy and regulatory reactions to the crisis. Students will be able to read and comprehend banks' annual reports and the articles of Financial Times.

Assessment Methods and Criteria:

1. Lectures
2. Final exam (50%), based on lectures and other material distributed (downloaded on MyCourses)
3. Case #1 (30%)
4. Case #2 (20%)

Total: 100p/%

Material:

- Aktia, Q3 Interim Report January-September 2023.
- Mark Tuchet (2022). European Capital Markets: Where are we?
- European Parliament (2023). Understanding EU action on pensions. (by Marketa Pape)
- EFAMA (2022). Asset Management in Europe. An Overview of the Asset Management Industry. 14th edition. **(pages 1-38)**

Course book (Mishkin & Eakins "Financial markets and institutions" 9th Edition) **not** required in the exam but you may use it as supplementary material.

Case #1 "ESG FUNDS" [group, 2-4 students in a group] PPT-SLIDES

Case #2 "GLOBAL 2023 BANKING CRISIS" [group, 2-4 students in a group] PPT-SLIDES

Separate written guidelines provided for the Case and Term Paper

Agenda

<u>Date</u>	<u>Topic</u>	<u>Mishkin & Eakins</u>
Jan 9	Introduction to the course	
	Introduction to the financial system	Ch 1, 2, 7
Jan 11	The global financial crisis 2008 – "Inside job" ^	8
Jan 16	Fixing the financial system European Capital Markets Union	
Jan 18	Central banks	9, 10
Jan 23	Fundamentals of financial institutions and commercial banking	7, 17
Jan 25	No lectures BUT: <i>Fri Jan 26* at 10:15 at Y202a Sauli Vilén, Inderes</i>	
Jan 30	Financial regulation	18
Feb 1	Shadow banking	19, 20, 22
Feb 6	Financial innovations	19
Feb 8**	Insurance companies	21
Feb 13	Case presentations	
Feb 15	Wrap-up, feedback and exam prep.	

^ Before the lecture watch "Inside job" (2010 Full Documentary) movie (Youtube)

* Deadline for the Case #1: **Friday, Jan 26 at 16:00**

** Deadline for the Case #2: **Friday, Feb 9 at 16:00**

Exams:

February 23, 2024 at 9-12

April 12, 2024 at 14-17

COURSE WORKLOAD (Estimates)

Classroom hours	24h
Class preparation	12h
Case and term paper preparation	70 h
Exam preparation	50 h
Exam	3 h
Total	~ 160h (6 op)