

*FIN-A0105*

*Fundamentals of 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 <sup>rd</sup> floor Office Hours: Mondays 14-15 Instructor's Webpage: <a href="https://www.aalto.fi/en/department-of-finance/vesa-puttonen">https://www.aalto.fi/en/department-of-finance/vesa-puttonen</a>	Academic Year 2023-2024, Period III Jan 10-Feb 16 - Wednesdays 10:15-12 at Y202a - Fridays 10:15-12 at Y202a  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 2008.

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 (70%), based on lectures and other material distributed (downloaded on MyCourses)
3. Case (30%)

Total: 100p/%

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

**Separate written guidelines provided for the Case.**

## 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. 14<sup>th</sup> edition. **(pages 1-38)**

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

## Agenda

<u>Date</u>	<u>Topic</u>	<u>Mishkin &amp; Eakins</u>
Jan 10	Introduction to the course	
	Introduction to the financial system	Ch 1, 2, 7
Jan 12	The global financial crisis 2008 – “Inside job” ^	8
Jan 17	Fixing the financial system European Capital Markets Union	
Jan 19	Central banks	9, 10
Jan 24	Fundamentals of financial institutions and commercial banking	7, 17
Jan 26*	Sauli Vilén, Inderes	
Jan 31	Financial regulation	18
Feb 2	Shadow banking	19, 20, 22
Feb 7	Marko Hovi, Finnish Financial Supervisory Authority	
Feb 9	Financial innovations	19
Feb 14	Insurance companies	21
Feb 16	Wrap-up, feedback and exam prep.	

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

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

## Exams:

February 20, 2024 at 13-16

April 8, 2024 at 16-19

## COURSE WORKLOAD (Estimates)

Classroom hours	24 h
Class preparation	22 h
Case preparation	50 h
Exam preparation	60 h
Exam	3 h
Total	~ 160h (6 op)