



**AYDIN ADNAN MENDERES UNIVERSITY**  
**GRADUATE SCHOOL OF SOCIAL SCIENCES**  
**ECONOMICS AND FINANCE**  
**ECONOMICS - FINANCE AND BANKING INTERDISCIPLINARY**  
**ECONOMICS - FINANCE AND BANKING INTERDISCIPLINARY MASTER'S**  
**WITHOUT THESIS**  
**COURSE INFORMATION FORM**

Course Title	Banking Products Valuation and Sales								
Course Code	BFN561		Course Level		Second Cycle (Master's Degree)				
ECTS Credit	5	Workload	125 (Hours)	Theory	3	Practice	0	Laboratory	0
Objectives of the Course	The main objective of this course is to help students understand the financial markets, institutions and instruments follow financial developments carry out financial analysis.								
Course Content	Why Study Financial Markets and Institutions? Overview of the Financial System, What Do Interest Rates Mean? – Why Do interest Rate Changes?, Why Do interest Rate Changes? – How Do Risk and Term Structure Affect Interest Rate?, Are Financial Markets Efficient? – Structure of Central Banks, Monetary Policy Tools, Goals, Strategy and Tactics, Money Markets – The Bond Market, The Stock Market – The Mortgage Markets The Foreign Exchange Market – The International Financial System.								
Work Placement	N/A								
Planned Learning Activities and Teaching Methods	Explanation (Presentation), Individual Study								
Name of Lecturer(s)									

Assessment Methods and Criteria		
Method	Quantity	Percentage (%)
Midterm Examination	1	40
Final Examination	1	60

Recommended or Required Reading	
1	Mishkin, F. S. and Eakins, S. G (2009), Financial Markets and Institutions, 6th Ed., Pearson-Prentice Hall.
2	Fabozzi, F. J., Modigliani, F., and Jones, F. J. (2007), Foundations of Financial Markets and Institutions, 4th Ed., Pearson-Prentice Hall.

Week	Weekly Detailed Course Contents	
1	Theoretical	Why Study Financial Markets and Institutions? i. Debt Markets and Interest Rates ii. Stock Market iii. Foreign Exchange Market iv. Central Banks v. Structure of the Financial System vi. Banks and Other Financial Institutions
2	Theoretical	Overview of the Financial System i. Function of Financial Market ii. Structure of Financial Market iii. Function of Financial Intermediaries iv. Types of Financial Intermediaries v. Regulation of Financial System
3	Theoretical	What Do Interest Rates Mean? i. Measuring Interest Rate ii. The Distinction Between Real and Nominal Interest Rate iii. The Distinction Between Interest Rate and Return iv. Interest Rate Risk v. Reinvestment Risk
4	Theoretical	Why Do interest Rate Changes? i. Determinants of Asset Demand ii. Supply and Demand in the Bond Market iii. Changes in Equilibrium Interest Rates
5	Theoretical	How Do Risk and Term Structure Affect Interest Rate ? i. Risk Structure of Interest Rates ii. Term Structure of Interest Rates
6	Theoretical	Are Financial Markets Efficient? i. The Efficient Market Hypothesis ii. Behavioral Finance
7	Theoretical	Structure of Central Banks i. Structure and Independence of Central Banks ii. Explaining Central Bank Behaviour
8	Intermediate Exam	Midterm Exam
9	Theoretical	Monetary Policy Tools, Goals, Strategy and Tactics i. The Central Bank's Balance Sheet ii. Tools of Monetary Policy iii. Goals of Monetary Policy iv. Central Bank Strategy: Use of Targets v. Monetary Targeting vi. The New International Trend in Monetary Policy Strategy: Inflation Targeting
10	Theoretical	Money Markets i. Why Do We Need the Money Markets? ii. The Purpose of the Money Markets iii. Who Participates in the Money Markets? iv. Money Market Instruments
11	Theoretical	The Bond Market i. Purpose of the Capital Market ii. Capital Market Participants iii. Types of Bonds iv. Treasury Bonds v. Bond Yield Calculations
12	Theoretical	The Stock Market i. Investing in Stocks ii. Computing the Price of Common Stock iii. How the Market Sets Security Prices iv. Stock Market Indexes v. Buying Foreign Stocks



13	Theoretical	The Mortgage Markets i. Characteristics of the Residential Mortgage ii. Mortgage-Lending Institutions iii. Secondary Mortgage; Market
14	Theoretical	The Foreign Exchange Market i. Foreign Exchange Market ii. Exchange Rates in the Long Run iii. Exchange Rates in the Short Run iv. Explaining Changes in Exchange Rates
15	Theoretical	The International Financial System i. Intervention in the Foreign Exchange Market ii. Balance of Payments iii. Exchange Rate Regimes in the International Financial System iv. Capital Controls
16	Final Exam	Final Exam

### Workload Calculation

Activity	Quantity	Preparation	Duration	Total Workload
Lecture - Theory	14	2	3	70
Individual Work	7	2	2	28
Midterm Examination	1	10	1	11
Final Examination	1	15	1	16
Total Workload (Hours)				125
[Total Workload (Hours) / 25*] = ECTS				5

\*25 hour workload is accepted as 1 ECTS

### Learning Outcomes

1	To be able to define financial institutions and markets
2	To be able to define and compare financial instruments
3	To be able to define the functions of financial institutions, and to analyze their role in an economy
4	To know and be able to apply the rules for entering new markets by using the modern marketing and sales techniques
5	To be able to gain general evaluation ability

### Programme Outcomes (*Economics - Finance and Banking Interdisciplinary Master's Without Thesis*)

1	To be able to use correctly the basic concepts in the field of economics, finance and banking
2	To be able to comprehend philosophical, social, historical and psychological principles influencing economics, finance and banking
3	To be able to analyze economical, financial and bank-related events theoretically and empirically
4	To be able to evaluate any economical, financial or banking-related problem in accordance with scientific principles
5	To be able to prepare solutions for an economical, financial or banking-related problem cooperatively in accordance with principles and criteria
6	To be able to follow contemporary implementations, and national and international academic publications in economics, finance and banking
7	To be able to prioritize scientific methods and ethical principles in economics, finance and banking while considering and implementing field specific professional issues
8	To be willing to do scientific research in the field of economics, finance and banking
9	To be able to create value for economics-finance and banking profession as an occupational identity

### Contribution of Learning Outcomes to Programme Outcomes 1:Very Low, 2:Low, 3:Medium, 4:High, 5:Very High

	L1	L2	L3	L4	L5
P1	3	4	3	4	3
P2	3	4	4	4	3
P3	5	4	2	3	3
P4	3	3	5	3	3
P5	4	3	3	3	5
P6	4	3	3	3	4
P7	4	5	3	3	4
P8	4	5	3	3	4
P9	4	3	3	3	4

