

COURSE SYLLABUS FORM

American University of Beirut

Faculty of Arts and Sciences

Department: Economics

Course Number and Title: ECON 344 Financial Markets and Institutions

1. Course Learning Outcomes

Students should be able to:

- a) acquire a working knowledge of the theory and practice of managing the risks that financial institutions face in the context of global capital markets.
- b) understand current market trends and the strategic issues they pose for financial institutions and other capital market participants.

2. Resources Available to Students

Financial Institutions Management: A Modern Perspective, 4th Edition, Anthony Saunders, Irwin/McGraw-Hill

Web-resources:

www.ffiec.gov

www.federalreserve.gov

www.fdic.gov

www.occ.treas.gov

3. Grading Criteria

Midterm Exam	40%
Final Exam	50%
Attendance/Participation	10%

4. Schedule

Week

1	Why are Financial Intermediaries Special (Chapter 1)
2	Risks of Financial Intermediation (Chapter 2)
3	Interest Rate Risk I(Chapters 8)
4	Interest Rate Risk II (Chapters 9)
5	Market Risk (Chapter 10)
6	Credit Risk I (Chapters 11)
7	Credit Risk II (Chapters 12)
8	Off-Balance-Sheet Activities (Chapter 13)
9	Operational Cost and Technology Risk (Chapter 14)
10	Foreign Exchange Risk (Chapter 15)
11	Sovereign Risk (Chapter 16)
12	Liquidity Risk I (Chapters 17)
13	Liquidity Risk II (Chapters 18)

5. Course Policy

During the mid-term and final exams , students may bring in a 8 ½ X 11 inch sheet of paper with formulas and a calculator.