

Faculty of Economics / ECONOMICS / Financial markets

Course:	Financial markets			
Course ID	Course status	Semester	ECTS credits	Lessons (Lessons+Exercises+Laboratory)
5377				
Programs	ECONOMICS			
Prerequisites	None			
Aims	Understand and interpret complex functioning four basic financial market segments in financial system and in economy overall..			
Learning outcomes	Upon completion of this course, the student will be able to: 1. Explain and compare financial systems and fundamental classes of financial instruments, formulate financial market, elaborate and recommend structure of financial market, defend and criticise regulations of modern financial markets. 2. Interpret significance of money market, summarise theory of interest and interest rate, explain the relation of interest rate and inflation, define quantitatively market prices and yield of instruments, interpret and recommend international money markets. 3. Analyse market of long-term financial instruments, explain, formulate, categorise and value stocks and long-term bonds, speak about issuing of capital market instruments, rank and integrate form of placement (selling) of issuing. 4. Explain and assess secondary capital market, interpret stock-exchange and stock-exchange cycles, categorise and propose modern trade, form structure of mortgage market, establish prices of mortgage market instruments. 5. Speak about financial derivatives and derivatives markets, explain hedging transactions, interpret functioning of futures market, calculate costs of including forward contracts, value and give arguments for general involvement of options, analyse swap arrangement. 6. Categorise currencies, differentiate among exchange rates, understand and discriminate significance and functions of exchange rate, explain functioning of foreign exchange market, choose and value currency pair, formulate supply and demand of foreign exchange along with speculation and intervention of monetary authorities.			
Lecturer / Teaching assistant	Dr Slobodan Lakić (professor), dr Milan Lakićević (professor)			
Methodology	Classical teaching methods			
Plan and program of work				
Preparing week	Preparation and registration of the semester			
I week lectures	Theoretical understanding of financial market structure			
I week exercises				
II week lectures	Money market - organizational form and participants			
II week exercises				
III week lectures	Instruments and technology of money market operations			
III week exercises				
IV week lectures	Interbank money market			
IV week exercises				
V week lectures	Business conception of capital markets - owners and users of capital			
V week exercises				
VI week lectures	Primary and secondary capital markets			
VI week exercises				
VII week lectures	Securities in capital market			
VII week exercises				
VIII week lectures	Payment operations and regulation			
VIII week exercises				
IX week lectures	Fundamentals of foreign exchange market - classification			
IX week exercises				
X week lectures	Exchange rate determination - theories and policy models			
X week exercises				

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XI week lectures	Projection of exchange rate policy					
XI week exercises						
XII week lectures	Financial derivatives market - hedging transactions					
XII week exercises						
XIII week lectures	Forwards and futures market					
XIII week exercises						
XIV week lectures	Options and swaps market					
XIV week exercises						
XV week lectures	International financial market					
XV week exercises						
Student workload	None					
Per week			Per semester			
credits x 40/30=0 hours and 0 minuts 0 sat(a) theoretical classes 0 sat(a) practical classes 0 excercises 0 hour(s) i 0 minuts of independent work, including consultations			Classes and final exam: 0 hour(s) i 0 minuts x 16 =0 hour(s) i 0 minuts Necessary preparation before the beginning of the semester (administration, registration, certification): 0 hour(s) i 0 minuts x 2 =0 hour(s) i 0 minuts Total workload for the subject: x 30=0 hour(s) Additional work for exam preparation in the preparing exam period, including taking the remedial exam from 0 to 30 hours (remaining time from the first two items to the total load for the item) 0 hour(s) i 0 minuts Workload structure: 0 hour(s) i 0 minuts (cources), 0 hour(s) i 0 minuts (preparation), 0 hour(s) i 0 minuts (additional work)			
Student obligations			None			
Consultations			Once a week			
Literature			Foundation of financial market - B. Vasiljević, Additional papers - S. Lakić, M. Lakićević			
Examination methods			Mid-term test, written exam			
Special remarks			None			
Comment			None			
Grade:	F	E	D	C	B	A
Number of points	less than 50 points	greater than or equal to 50 points and less than 60 points	greater than or equal to 60 points and less than 70 points	greater than or equal to 70 points and less than 80 points	greater than or equal to 80 points and less than 90 points	greater than or equal to 90 points