

Course Syllabus

1. Department Name:	Finance		
2. Program Name:	MA Finance		
3. Program Code	03		
4. Course Code and Title:	1603732 Money & Capital Markets		
5. Course credits:	03		
6. Pre-requisites:	Corporate Finance		
7. Course Instructor/ Coordinator Name, Email and Office hours	Prof. Dr. Ghassan Omet		
	gomet@ju.edu.jo		
	4:30 – 5:30 Sunday, Wednesday		
8. Course web-page:			
9. Academic year:	2019-2020		
10. Semester:	First	√	Second Summer
11. Textbook(s) (Make sure you have one textbook – resource materials online) <i>A number of papers will be recommended as the course progresses</i>			
12. References: (Make sure that the references are available in the Library and online)			
13. Other resources used (e.g. periodicals, software, eLearning, site visits, etc.): <i>a number of handouts will be distributed as the course progresses.</i>			
14. Course description (from the catalog) The economic impact of financial development has long been a controversial issue. Indeed, even Nobel Laureates in economics could not agree. For example, while Bagehot (1873), and Schumpeter (1912) argued that financial development (money & capital) impacts economic growth in a positive manner, another Laureate (Robinson, 1952), states that real economic growth that affects financial development. To make the issue even more confusing, Lucas (1988), who is also a Nobel Laureate, argues that the impact of financial development on growth is exaggerated. Irrespective of what the relationship between financial development and growth is, one can argue that banks (and stock markets) provide economies with a myriad of financial services which facilitate economic growth. These include the pooling of savings, allocation of capital resources, monitoring of investments, risk diversification and risk management, and the exchange of goods and services. While well financial systems provide the above-mentioned financial functions, there are large differences in how well they are provided. Three basic characteristics capture the impact of the services on growth. (1) The level of intermediation. (2) The efficiency of intermediation. (3) The composition of intermediation. This course contains four main parts: The first part focuses on measuring financial development and its relationship with growth. The second part examines the microstructure of securities and its implications in finance. In addition, this part considers the issue of developing government securities market. The third part considers a myriad of issues that deal with the performance of banks. Finally, the course examines the issue of interest rate and the tools and goals of monetary policy.			

15. Course Intended Learning Outcomes: (All CILOs must start with an action verb, please use ANNEX I for getting a better understanding of the Action Verbs and Blooms Taxonomy. The mapping of the CILOs with relevance to the PILOs of the program.)

CILOs (Preferred not to exceed 12 CILOs)	Mapping to PILOs										
	a	b	c	d	e	f	g	h	i	J	k
1. Understand the Money and Capital Market Environment.											
2. Understand the Finance – Growth Nexus											
3. Measuring Financial Development .											
4. The Microstructure of Securities Markets & The Role of Stock market											
5. understand Liquidity and its Determinants											
6. Understand the Role of Banks and Interest Rates.											

16. Course evaluation: (Formative and summative assessment methods are expected)

Assessment Type	Details/ Explanation of Assessment in relation to CILOs	Number	Weight	Date(s)
Midterm I			30 %	
Take Home Exam			30%	
Final			40%	
Total			100%	

17. Description of Topics Covered (The description should be from the textbook used)	
Topic Title (e.g. chapter title)	Description
Part One: Overview of Money & Capital Markets The Finance-Growth Nexus	1. Measuring Financial Development 2. Determinants of Financial Development
Part Two: 1- The Microstructure of Securities Markets 2- Liquidity & Its Determinants 3-Formation of Government Securities Markets.	1. Role of Stock Markets 2. Implications of Liquidity Cost
Part Three: Role of Banks	1. Bank Performance & Bank Competition 2. Net Interest Margin 3. Regulation of banks 4. Jordanian Banking Sector
Part Four: Determinants of Interest Margin	1. Determinants of Interest Rates 2. Tools & Goals of Monetary Policy

18. Course Weekly Breakdown:					
Week	Date	Topics covered	CILOs	Teaching Method	Assessment
1		Overview of Money & Capital Markets		<i>Tutoring</i>	
2		Measuring Financial Development		<i>Tutoring</i>	
3		The Finance-Growth Nexus		<i>Tutoring</i>	
4		Determinants of Financial Development		<i>Tutoring</i>	
5		The Microstructure of Securities Markets		<i>Tutoring</i>	

6		Role of Stock Markets		Tutoring	
7		Liquidity & Its Determinants Implications of Liquidity Cost		Tutoring	
8		Formation of Government Securities Markets		Tutoring	
9		Role of Banks Net Interest Margin & Bank Performance		Tutoring	
10		Jordanian Banking Sector & Regulation of Banks		Tutoring	
11		The Determinants of Interest Rates		Tutoring	
12		The Determinants of Interest Rates		Tutoring	
13		Monetary Policy		Tutoring	
14		Tools and Goals of Monetary Policy		Tutoring	
15		Tools and Goals of Monetary Policy		Tutoring	
16		Final examination week			

19. Others:	
	<i>Description</i>
<i>Attendance policies:</i>	Students are not allowed to miss more than 15% of the classes during the semester. Failing to meet this requirement will be dealt with according to the university disciplinary rules.
<i>Absences from exams and handing in assignments on time:</i>	No Make-Up Exams Will Be Held
<i>Health and safety procedures:</i>	
<i>Honesty policy regarding cheating, plagiarism, misbehavior:</i>	

Course Coordinator:	Prof. Dr. Ghassan Omet	<i>Ghassan J. Omet</i>
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Head of Department:	Type the Name	Add your Signature
Head of curriculum committee/ School Level:	Type the Name	Add your Signature
Dean:	Type the Name	Add your Signature
Approved by the Program Coordinator/ Head of the Department on:	Type the date: DAY/MONTH/YEAR	

<u>Copy to:</u>
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