



RTU Course "Financial Economics"

22702 null

General data

Code	IUF733
Course title	Financial Economics
Course status in the programme	Compulsory/Courses of Limited Choice
Course level	Post-graduate Studies
Course type	Academic
Field of study	Business Management and Administration
Responsible instructor	Konstantins Kozlovskis
Academic staff	Natalija Lāce
Volume of the course: parts and credits points	1 part, 5.0 Credit Points, 7.5 ECTS credits
Language of instruction	LV, EN
Annotation	The course covers the basic elements of financial system and theories related to its functioning. The features of financial markets and their role in modern economy as well as the tools of monetary policy and their impact on economic growth are considered in details.
Goals and objectives of the course in terms of competences and skills	The main goal of the course is to teach students to understand how modern financial system works in the context of monetary policy and at the level of separate elements. The tasks of the course are: <ul style="list-style-type: none"> •to develop and deepen theoretical knowledge of the functioning of the financial system; •to develop skills in testing hypotheses related to the functioning of the financial system; •to examine legislation in regulation of the financial system and to understand its impact on the development of financial economics; •to develop skills in applying econometric apparatus in solving different problematic questions.
Structure and tasks of independent studies	The course contains tests to develop theoretical knowledge and individual assignments to develop practical skills in analysis of financial markets, securities analysis and functioning of macroeconomy.
Recommended literature	
Course prerequisites	The course is based on the knowledge gained in the bachelor program.

Course outline

Theme	Hours
Overview of financial system: types of financial markets, structure, participants, functions, regulation.	6
Bond market: essence, organization and theories related to interest rate.	6
Stock market: essence, organization and theories related to functioning of stock market.	6
Role of financial institutions in the functioning of financial system.	10
Theory of financial crisis.	6
Impact of money and inflation on economic growth.	8
Role of central banks in the context of monetary policy.	6
Monetary policy: strategies, tactics, theories and models.	12
Regulation of financial system.	4
Market of secondary financial instruments: essence, organization and theories related to it.	16

Learning outcomes and assessment

Learning outcomes	Assessment methods
Students will be able to analyze processes taking place in financial markets and impact on economy.	Individual assignment and test to reinforce the material learnt. Assessment is based on points grading system. Gives 15% of final mark.
Students will be able to characterize financial instruments.	Individual assignment and test to reinforce the material learnt. Assessment is based on points grading system. Gives 15% of final mark.
Students will be able to analyze the policy of monetary authorities and its impact on economy.	Individual assignment and test to reinforce the material learnt. Assessment is based on points grading system. Gives 15% of final mark.
Students will be able to implement theories related to functioning of financial system in practice.	Individual assignment and test to reinforce the material learnt. Assessment is based on points grading system. Gives 15% of final mark.
Students will be able to implement gained theoretical knowledge and practical skills to solve complex tasks	Exam. Gives 40% of final mark.

Study subject structure

Part	CP	Hours per Week			Tests		
		Lectures	Practical	Lab.	Test	Exam	Work
1.	5.0	3.0	2.0	0.0		*	