

Financial Markets



SCHOOL

Faculty of Law, Economics and Business Studies (DEG)



CAMPUS

Saint-Serge



LEVEL

3rd year Bachelor's degree



OPEN TO EXCHANGE STUDENTS

Yes



SEMESTER

Spring (S2)

- > **Degree course:** Finance, Accounting and Control
- > **Teaching unit:** Fundamental Teaching Block 5 (TU35B) : Money and Finance
- > **Course language:** French with supporting materials in English
- > **Duration (hours):** 20
- > **ECTS:** 2
- > **Teacher(s):** Diana Pop

> Assessment:

- Continuous assessment
- Final exam

> Teaching methods:

- Lecture course 20 hours
- Tutorial course hours
- Practical work hours

- Case study
- Project

COURSE DESCRIPTION

The course has two distinct parts. The first, which takes a descriptive approach to equities, is designed to provide a gradual grasp of essential financial concepts and analysis techniques such as cash flow, dividends, ownership structure, free float, capital transactions, stock splits, stock market orders, market price, returns and stock market indices. The second part deals with interest rates and debt securities.

Class 1: Stock prices: par value, issue price, book value, market value, fundamental value; Ownership Structure and free-float.

Class 2: Stock market orders and market price (Excel application on Exchange Order Book and the Summary of Transactions on an Order Driven Market)

Class 3: Stock splits: analysis of the effect on the market price (attribution rights vs. pre-emptive rights)

Class 4: Stock market indices (Excel application of the Index Construction Methods)

Class 5: Analysis of stock and market return (Identifying online information sources and Excel application - Linest function - for the estimation of expected stock return)

Class 6-7: Plain vanilla bonds: day count conventions, clean price, dirty price, yield to maturity (Identifying online information sources and Excel application - XIRR function - for the calculation of yield to maturity)

OBJECTIVES

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PREREQUISITES

Financial Mathematics: equivalent interest rates

SELECTIVE BIBLIOGRAPHY

1. Harry Larris, (2003). Trading & Exchanges: Market Microstructure for Practitioners. Oxford University Press.
2. Le Saout Erwan, (2016). Introduction aux marchés financiers. Paris Economica, (cote BU : "332.6 LES 2016")
3. Morvan Jérémy, (2017). Marchés et instruments financiers. Editeur : Dunod (cote BU : "332.6 MOR 2017") Corpoarte Finance vol 2.