

Economics of financial markets and financial institutions

KITTICHAJ SAELEE

COURSE OVERVIEW

EE431 SEMESTER 1/2017

WEEK 1 / LECTURE 1

Agenda

- Logistic information
- Outline
- Overview of financial system

Logistic information

Instructor: Kittichai Saelee

Lecture: Rm#303; Tuesday/Thursday: 8:00 – 09:30

Office hour: RM#516 Tuesday, 2pm-4pm;

Email: kittichai_lee[at]econ.tu.ac.th

Rules for the class conduct

- Please arrive here on time. (8.05 am)
- Please avoid chatting. No facebook live or whatsoever forms of social media during my class.
- Please ask if you don't get what I'm saying. (This usually occurs mostly.)
- Feel free to share your thoughts; I'm opened to any discussions that are relevant to this course.

Evaluations

- Homework: 10% (to be explained later)
 - Midterm: 40% (Oct, 3rd ; 08.00 – 10.00: 2 hours)
 - Final: 50% (Dec, 15th ; 09.00 – 12.00)
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- Class material will be posted on Moodle (**psscd: 5618**)
 - Grading is based on class's distribution.

Evaluations: homework

Homework

- Group-work assignment (at most 4 in your group) / 11 groups in total.
- See all the due date and assigned date in the syllabus.
- In the next lecture, give your list of group member. Write down in a white plain paper. (Give me “first name/last name/Student ID”)

Style of the question

- Numeric-based question
- Analytically conceptual question
- Data analytic; basic statistic required (regression too)

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how I design this course?

BE offers many finance courses. FN311/FN312.

To avoid the overlap of materials, I only pick some topics that you shouldn't be able to see these in other courses.

Part 1: financial market

- ↓ Traditional demand for assets
- ↓ Principle of asset valuation
- ↓ Bond market and interest rate determination
 - ↓ Credit and term structure will be tested in the final exam!
- ↓ Capital market and primer on risky asset valuation

Part 2: Financial institutions

- Understanding about the financial structure
- Banking management
- Theory of financial intermediation
- Financial stability and financial regulation

Readings

- Mostly based on Mishkin “Economics of money and banking”
- Except the first topic about demand for assets; drawn from Donalds [Jean-Pierre Danthine](#) (Author), [John B. Donaldson](#) (Author) Intermediate Financial Theory, Third Edition (Academic Press Advanced Finance) 3rd Edition

