



College of Business and Economics
Department of Accounting and Finance

Course Number	AcFn4092
Course Title	Financial Institutions and Market
Degree Program	BA Degree in Accounting and Finance
Module	Financial Institutions
Module N0 and Code	M11; AcFn-M4091
ETCTS Credits	3
Contact Hours (per week)	2
Course Objectives & Competences to be Acquired	This course provides students the essential knowledge required to understand the nature and role of the financial system in the economy and the characteristics and operations of the major financial institutions.
Course Description	Financial markets and institutions channel trillions of dollars through the economy, affecting business and consumer decisions and the economic wellbeing of foreign countries. The purpose of this course is to guide students in developing critical thinking skills as applied to financial markets and institutions. Topics include the financial system in perspective; financial assets, money and financial transactions; financial institutions in the financial system; interest rates in the financial system, interest rates in the financial system, financial markets in the financial system, the regulation of financial markets and institutions, and overview of Ethiopian financial system.
Course Contents	
1. An Overview of the Financial System. <ol style="list-style-type: none"> 1.1. The role of financial system in the economy 1.2. Financial assets: role and properties 1.3. Financial markets: role, classifications and participants 1.4. Lending and borrowing in the financial system 	
2. Financial Institutions in the Financial System <ol style="list-style-type: none"> 2.1. Financial institutions and capital transfer 2.2. Functions of Financial Institutions 2.3. Financial intermediaries and their roles 2.4. Classifications of Financial Institutions 2.5. Depository financial institutions. 2.6. Non-depository institutions. 2.7. Risks in Financial Industry 	
3. Interest rates in the Financial System <ol style="list-style-type: none"> 3.1. The theory and structure of interest rates 	

3.2. Factors affecting structure of interest rate determinations
4. Financial Markets In The Financial System 4.1. Organization and Structure of Markets 4.2. Primary and secondary market 4.3. Money Market 4.4. Capital Market 4.4.1. Debt Market 4.4.2. Equity Market 4.5. Foreign Exchange Markets 4.6. The Derivative Market
5. The Regulation of Financial Markets and Institutions 5.1. Purpose of regulation 5.2. Nature of Financial System Regulation 5.3. The forms of regulation 5.4. Arguments regarding regulation
6. Overview of Ethiopian Financial System 6.1. Financial Markets & Institutions In Ethiopia 6.2. Financial sector in Ethiopia 6.3. Regulation of financial sector in Ethiopia 6.4. Ethiopian commodity exchange market and its operation