

FIN-534 Financial Markets and Alternative Investments***Does not require Programming Background****UNIVERSITY OF NICOSIA**
ΠΑΝΕΠΙΣΤΗΜΙΟ ΛΕΥΚΩΣΙΑΣ

Course Code FIN-534	Course Title Financial Markets and Alternative Investments	Credits (ECTS) 10
Department School of Business	Semester Fall/Spring/Summer	Prerequisites FIN-512, FIN-521
Type of Course Elective	Field Finance	Language of Instruction English
Level of Course 2 nd cycle	Year of Study 2 nd	Lecturer Mr Ioannis Menelaou

Objectives of the Course:

This course aims to provide a conceptual understanding of the function of financial markets, the flow of funds, levels of interest rates and time value of money. It will analyse the institutional framework through a discussion of the theoretical background to the structure and performance of the financial system, and the role, goals and decision-making process of financial intermediaries participating in financial markets' operations. The course provides both a theoretical and practical look into the world of managing alternative investments and the integration of digital currencies (DC) in financial markets and various alternative investment vehicles.

Learning Outcomes:

On completion of this course, students should be able to:

- Demonstrate how the financial markets operate;
- Analyze the structure and operation of financial institutions participating in the financial markets;
- Work with basic types of investment instruments on international financial markets and the integration of digital currencies;
- Orient themselves among the most important institutions and segments on international financial markets;
- Apply different company valuation techniques to determine share prices and study digital currency exchanges;

- Describe the characteristics of different types of debt securities and be able to price them;
- Apply analytical skills to specific problems and issues related to financial markets and alternative investments;
- Gain an understanding of the characteristics of derivatives instruments (futures and options contracts), along with the application of the digital currencies, the different motivations for their use and how they are traded;
- Characterize the common features of alternative investments, the types of digital currency investments and their markets;
- Distinguish among the principal classes of alternative investments and apply valuation techniques to price alternative investments.

Course Contents:

Lecture	Topic
1	An Overview of Financial Instruments
2	International Equity Markets
3	Global Bond Markets
4	Money Markets
5	Derivative Markets
6	Valuation of Equity Securities
7	Valuation of Debt Securities
8	Valuation of Derivatives: Options
9	Alternative I: Commodities
10	Alternative II: Real Estate
11	Alternative III: Hedge Funds
12	Offshore Financial Centres

Learning Activities and Teaching Methods:

Presentations, case study analyses and weekly exercises

Assessment Methods:

Assignment 1: Case Study Analysis 1	10%
Assignment 2: Case Study Analysis 2	20%
Final Exam	70%

Recommended Textbooks/Reading:

Authors	Title	Publisher	Year	ISBN
Mishkin F. and Eakins S.	Financial Markets and Institutions, 6th edition	Pearson Education	2008	978-0-321-55211-2
Fabozzi, F. J., Modigliani, F. and Jones, F. J.	Foundations of Financial Markets and Institutions	Pearson	2010	978-0-13-135423-4
Bodie, Z., Kane, A. and Marcus, A. J.	Investments, 10 th edition	McGraw-Hill	2014	978-0-07-786167-4
Howells P. and Bain K.	Financial Markets and Institutions, 5 th edition	FT Prentice Hall	2007	978-0-273-70919-0
Anson, M.J.P.	Handbook of Alternative Assets	John Wiley and Sons	2006	

The *Financial Times*, Bloomberg news, the *Wall Street Journal* and <http://bitcoinwatch.com> is recommended reading for this course. An overview of the recent (2014) Alternative Investment Fund Law and Directives from Europe will also be covered. Furthermore, additional material will be provided throughout the duration of the course.

Some of the journal articles that will be covered during the course are:

- Angel, J. and McCabe, D. (2014), The Ethics Of Payments: Paper, Plastic or Bitcoin?, *Georgetown University Working Paper Series*.
- Grinberg, R. (2012), Bitcoin: An Innovative Alternative Digital Currency, *Hasting Science and Technology Law Journal*, Vol. 4 (1).
- Luther, W. and Olson, J. (2013), Bitcoin is Memory, *Ohio University Working Paper Series*.