NAME OF THE COURSE	FINANCIAL INSTITUTIONS AND MARKETS					
Code	EUA201	Year of study	3rd			
Course teacher	Marijana Ćurak, Full Professor and Ana Kundid Novokmet, Associate Professor	Credits (ECTS)	5			
Associate teachers	Dujam Kovač, Assistant Professor	Type of instruction (number of hours)	L	S	E	F
			26		26	
Status of the course	Compulsory	Percentage of application of e-learning	30%			

COURSE DESCRIPTION

Course objectives	Provide knowledge that will enable the analysis of structural and functional aspects of credit institutions, institutional investors and other financial institutions, money markets, capital markets, financial derivative markets and foreign exchange markets, as well as identify the reasons and effects of financial system regulation.
Course enrolment requirements and entry competences required for the course	Requirements for the course enrolment are regulated by the Statute of the Faculty of Economics, Business and Tourism and by the Rulebook of study programs and studying system.
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	Course learning outcome: Critically analyse the structural and functional aspects of financial institutions and financial markets and the functioning of financial institutions and markets in the Republic of Croatia and identify the reasons and effects for/of financial regulation. Particular learning outcomes: 1. Analyse sources and uses of financial resources, their determinants and the effects of financial institutions and markets on the cost of funds transfer. 2. Examine the importance and functions of central banks and credit institutions. 3. Analyse the role of institutional investors. 4. Differentiate instruments and trading mechanisms in financial markets. 5. Analyse the functioning of financial institutions and markets in the Republic of Croatia.

Course content broken down in detail by weekly class schedule (syllabus)

Lectures		Exercises	
Topics	Hours	Topics	Hours
The role of financial institutions and markets. Market imperfections: transaction costs, adverse selection, and moral hazard.	2	The role of financial institutions and markets. Market imperfections: transaction costs, adverse selection, and moral hazard. Assignments involving software tools for quantitative data analysis.	2
Financing: direct and indirect funding. Financial operations.	1	Financing: Direct and indirect funding. Financial operations. Assignments involving software tools for quantitative data analysis.	1

	Determinants of interest rates.	1	Determinants of interest rates. Assignments involving software tools for quantitative data analysis.	1
	Structure of interest rates.	4	Structure of interest rates. Assignments involving software tools for quantitative data analysis.	4
	Central bank and monetary policy.	2	Central bank and monetary policy. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Credit institutions: types and functions.	2	Credit institutions: types and functions. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Insurance companies: risks and fundamentals of insurance, life and non-life insurance.	2	Insurance companies: risks and fundamentals of insurance, life and non-life insurance. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Pension funds: the role and types of pension plans. Investment funds: goals, open-end and closed-end investment scheme, investment company.	2	Pension funds: the role and types of pension plans. Investment funds: goals, open-end and closed-end investment scheme, investment company. Visiting lecture. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2

	Money market: functions, participants, instruments. Value of instruments and return on investment in money market instruments. Foreign exchange markets.	2	Money market: functions, participants, instruments. Value of instruments and return on investment in money market instruments. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Capital market: the importance and main functions. Primary and secondary capital markets. Bond Markets. Bond valuation. concept of duration.	2	Capital market: the importance and main functions. Primary and secondary capital markets. Bond Markets. Bond valuation. concept of duration. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Stock Markets. Stock valuation models.	2	Stock Markets. Stock valuation models. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Financial derivatives: forward and futures contracts, options, and swap contracts. Credit derivatives.	2	Financial derivatives: forward and futures contracts, options, and swap contracts. Credit derivatives. Seminar paper presentation. Assignments involving software tools for quantitative data analysis.	2
	Fintech innovations in financial markets and the financial services industry. Stability, regulation, and supervision of financial institutions and markets.	2	Stability, regulation, and supervision of financial institutions and markets. Seminar paper presentation.	2

Format of instruction	☑ lectures ☑ seminars and workshops ☑ exercises ☐ *on line* in entirety ☑ partial e-learning ☐ field work	☑ independent assignments (assignments involving software tools for quantitative data analysis) ☐ multimedia ☐ laboratory ☐ work with mentor ☑ case study

<table>
<tr><td></td><td colspan="6"></td><td>☑ visiting lecture
☐ (other)</td></tr>
<tr><td>Student responsibilities</td><td colspan="7">The requirement to get the right to take the final exam: regular attendance (for full-time students: minimum 60 % of lectures and 60 % of exercises; for part-time students: half of the requirements defined for full-time students).</td></tr>
<tr><td rowspan="5">Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is equal to the ECTS value of the course)</td><td>Class attendance</td><td>1</td><td>Research</td><td></td><td>Practical training</td><td>0.75</td></tr>
<tr><td>Experimental work</td><td></td><td>Report</td><td></td><td>Self-assessment test</td><td></td></tr>
<tr><td>Essay</td><td></td><td>Seminar paper</td><td>0.5*</td><td>(Other)</td><td></td></tr>
<tr><td>Mid-term exams</td><td>3.25** (2.75*/**)</td><td>Oral exam</td><td></td><td>(Other)</td><td></td></tr>
<tr><td>Written exam</td><td>3.25** (2.75*/**)</td><td>Project</td><td></td><td>(Other)</td><td></td></tr>
<tr><td>Grading and evaluating student work in class and at the final exam</td><td colspan="7">The final grade for the course is determined by points earned from the following components:

<table>
<tr><th>Grade component</th><th>Number of points by segment</th></tr>
<tr><td>Midterm exams / final written exam</td><td>100</td></tr>
<tr><td>Assignments using software tools</td><td>10</td></tr>
<tr><td>Seminar paper</td><td>5</td></tr>
<tr><td>Class contribution</td><td>5</td></tr>
</table>

Two written mid-term exams will be held during the semester. All students enrolled in the course may take the first written mid-term exam. To be eligible for the second mid-term exam, a student must achieve a minimum of 55 points in the first mid-term exam. Those students, who do not take or do not pass the mid-term exams, take the final exam.

Written exams consist of 10 questions. Each correct answer is awarded 10 points. To pass a written exam, a student must obtain at least 55 points.

Students can achieve a maximum of 10 points in assignments using software tools for quantitative data analysis.

A student may earn up to 5 points based on class contribution.

The student’s seminar paper is evaluated with up to 5 points.

The final grade is determined by (1) the average of the points achieved in both midterm exams or the points achieved in the final written exam, (2) the points achieved from assignments using software tools for quantitative data analysis, (3) the points achieved for class contribution, and (4) seminar paper.

Score thresholds and corresponding grades:

<table>
<tr><th>Points</th><th>Grade</th></tr>
<tr><td>0 - 54</td><td>insufficient (1)</td></tr>
<tr><td>55 - 69</td><td>sufficient (2)</td></tr>
</table>
</td></tr>
</table>

70 - 79	good (3)
80 - 89	very good (4)
90 +	excellent (5)

*The student has the opportunity to write and present a seminar paper.
**A student who has achieved a minimum of 55 points in each mid-term exam has completed the course and is not required to take the final written exam.

Required literature (available in the library and via other media)

Title	Number of copies in the library	Availability via other media
Ćurak, M. (2025.-2026.): *Financial Institutions and Markets,* the course materials on Merlin platform.		x
Mishkin, F. S., Eakins, S. G. (2019.). *Financijska tržišta i institucije*, Mate, Zagreb.	13	
Pojatina, D. (2000.). *Tržište kapitala*, Ekonomski fakultet, Split.	12	

Optional literature (at the time of submission of study programme proposal)

Bank of England (2025). *Financial Stability in Focus: Artificial intelligence in the financial system*, Financial Policy Committee, London.

Berger, A. N. (ed.), Molyneux, P. (ed.), Wilson, J. O. S. (ed.) (2025). *The Oxford Handbook of Banking: 4th Edition*, Oxford University Press.

Leko, V., Stojanović, A. (2018.). *Financijske institucije i tržišta*, Sveučilište u Zagrebu, Ekonomski fakultet, Zagreb.

Madura, J., Paskelian, O. (2025). *Financial Institutions and Markets*, Cengage Learning.

Mishkin, F. S. (2024). *Economics of Money, Banking and Financial Markets*, Pearson.

Mishkin, F. S. (2010). *Ekonomija novca, bankarstva i financijskih tržišta*, Mate d.o.o, Zagreb.

Mishkin F. S., Eakins, S. G. (2024). *Financial Markets and Institutions*, Pearson.

Scientific and professional papers and reports in the field of financial institutions and markets.

Other sources:

Central Bureau of Statistics, https://www.dzs.hr/

Croatian Bank for Reconstruction and Development, https://www.hbor.hr/

Croatian Banking Association, http://hub.hr/

Croatian National Bank, http://www.hnb.hr/

Croatian Financial Services Supervisory Agency, http://www.hnb.hr/

European Central Bank, https://www.ecb.europa.eu/home/html/index.en.html

	The European Insurance and Occupational Pensions Authority (EIOPA), https://eiopa.europa.eu/ European Securities and Markets Authority (ESMA) https://www.esma.europa.eu/supervision/supervision Federal Reserve Bank of St. Louis, https://fred.stlouisfed.org/ Official Gazette, https://www.nn.hr/ World Bank, Financial Structure Database, http://www.worldbank.org/en/publication/gfdr/data/financial-structure-database Zagreb stock exchange, http://zse.hr/
Quality assurance methods that ensure the acquisition of exit competences	• Monitoring the class attendance and execution of other student's obligations (Teacher) • Teaching Supervision (The Vice-Dean for academic and student affairs) • Analysis of the studying performance for all courses of the study program (The Vice-Dean for academic and student affairs) • Student survey on the quality of teachers and teaching for each course of the study program (UNIST, Centre for Quality Improvement) • All learning outcomes of the course are examined by the examination conducted by the course teacher. Periodic examination of the content of the exam is conducted in order to verify the appropriateness of the method of validating the learning outcomes (The Vice-Dean for academic and student affairs).
Other (as the proposer wishes to add)	