

**Antalya Bilim University**  
**Department of Economics, Econ 1212**  
**Capital Markets**  
**Fall 2021-2022**

Class time& Place: Wednesday/ 10:00-13:00 / A2-94

Office hours: Tuesday: 09:30-12:30  
Wednesday: 13:30-16:30

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Welcome to the course. This course provides an advanced survey of investments and investment strategies. After a consideration of the institutional details of security issuance, students will learn the standard framework for the discussion and analysis of risk and return. Then, the course delves into the two most important investment instruments—fixed income instruments and equities. Fundamental quantitative models used in securities analysis will highlight the discussion. This sets the stage for a consideration of modern portfolio theory. Students will be exposed to the tools with which securities are selected to be combined into portfolios with desired risk/return characteristics. The course concludes with a discussion of the efficient markets hypothesis, and examines a recent alternative called behavioral finance.

**Course book:**

**An Introduction to Capital Markets, “*Products, Strategies, Participants*”, Andrew M. Chisholm, Wiley Finance Series, John Wiley & Sons, Ltd.**

**Recommended readings:**

Additional reading material will be provided by the lecturer.

**Developing Graduate Attributes**

Students will be encouraged to develop the following graduate attributes by undertaking the course activities and mastering the course contents. These attributes will be assessed within the assessment tasks:

- skills involved in scholarly enquiry;

- an in-depth engagement with the capital markets and financial institutions disciplinary knowledge;
- the capacity for analytical and critical thinking;
- the ability to engage in independent and reflective learning.

### **Academic Honesty and Plagiarism**

Plagiarism is using the words or ideas of others and presenting them as your own. Plagiarism is a type of intellectual theft. It can take many forms, from deliberate cheating to accidentally copying from a source without acknowledgement. Although plagiarism is well established in Turkish educational system, you will be punished heavily if you are caught do it.

### **Assessment Criteria:**

- 1) **Midterm (30%):** Students are responsible for all class material covered until the midterm exam.
- 2) **Final exam (50%):** This exam is cumulative and will focus on all units and topics studied throughout the course, but emphasis will be after midterm.
- 3) **Group Project (20%):** All groups have to complete their group projects before the last week of the semester.
- 4) **The passing grade performance at the end of the semester should be at least 50/100.**

### **Course Schedule**

#### **WEEK 1 (15 Sep 2021) Introduction: The Market Context**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

#### **WEEK 2 (22 Sep 2021) The Money Markets**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

#### **WEEK 3 (29 Sep 2021) The Foreign Exchange Market**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

#### **WEEK 4 (6 Oct 2021) Bond Markets**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

#### **WEEK 5 (13 Oct 2021) Bond Price Sensitivity**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 6 (20 Oct 2021) The Yield Curve**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 7 (27 Oct 2021) Equity Markets**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 8 (3 Nov 2021) MIDTERM EXAM**

**WEEK 9 (10 Nov 2021) Equity Analysis and Valuation**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 10 (17 Nov 2021) Cash Flow Models in Equity Valuation**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 11 (24 Nov 2021) Interest Rate Forwards and Futures**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 12 (1 Dec 2021) Bond Futures**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 13 (8 Dec 2021) Interest Rate Swaps**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”

**WEEK 14 (15 Dec 2021) Interest Rate Swap Valuation**

Andrew M. Chisholm, An Introduction to Capital Markets, “Products, Strategies, Participants”