

FIN521 Financial System, Financial Markets and Financial Supervision

Level: 5

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JAN

Synopsis:

FIN521 Financial System, Financial Markets and Financial Supervision provides an overview on how financial system functions, how financial sector interacts with real economy, and how the trends and challenges in these areas shape the financial regulatory landscape. It examines financial regulations and monetary policies in depth and provides insights on how their developments post Global Financial Crisis have impacted the financial landscape and financial markets, with a focus on Asian financial markets.

The course also analyses how the advances in information and digital technology affect the business and operation of financial institutions. Using real-life case studies, the course then addresses the delicate issue of balancing the needs between financial innovation for development, financial stability and investor protection, and suggests pre-requisite conditions for financial innovations. The course further identifies forces shaping the banking industry, introduces various business models and delivery channels of banking services, and investigates the changing world of financial intermediation. Lastly, the course deals with the critical strengths of banking institutions in risky and volatile environment – internal control and risk management.

Overall, the course is aimed at providing financial professionals, including the regulators, the FinTech professionals as well as entrepreneurs in related areas, with a good understanding of macro-financial environment and dynamics that affect the development and operation of both traditional financial institutions and emerging FinTech industry.

Topics:

- Overview of financial system and the functions of financial markets
- Financial sector development
- The monetary system: central banks and monetary policies
- The impact of monetary policies on exchange rate, interest rate and asset prices etc.
- Overview of financial supervision and regulation
- Macro-prudential supervision for financial stability - balancing development and stability
- Financial innovation and investors' education and protection
- Case study: financial innovations, financial stability and investor protection
- Supervisory and regulatory requirement of capital market and wealth management activities
- Understanding banking industry: services and business models
- Understanding banking industry: internal control and risk management
- General code of ethics and standards of professional conduct in the finance and wealth management industries

Learning Outcome:

- Appraise the role of financial system and financial markets
- Critique the impacts of financial regulation and monetary policy on the financial markets and financial institutions
- Evaluate the regulatory concern for consumer protection and the need for a fine balance between financial innovations and development on one hand, and investor protection and stability on the other
- Assess the general trends and developments of financial markets
- Demonstrate ethic and integrity when conducting financial innovations and wealth management, and adhere to the principle of "selling suitable products to suitable customer"
- Construct business plans for banking institutions with a good understanding of the critical areas of managing such institutions

Assessment Strategies - Regular Semester (Evening Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	PARTICIPATION 1	10
	GROUP BASED ASSIGNMENT 1	40
Overall Examinable Components	Written Exam	50
Total		100

*The information listed is subject to review and change.