

Programme	BBA	Course Code	BBA-301	Credit Hours	3
Course Title	Financial Institutions and Markets				
Course Introduction					
This course provides an in-depth analysis of financial institutions and markets, focusing on their roles, functions, and impact on the economy. It covers various types of financial institutions, market structures, and regulatory frameworks.					
Learning Outcomes					
Upon successful completion of this course, students will be able to:					
<ol style="list-style-type: none"> 1. Describe the roles and functions of financial institutions. 2. Analyze different financial markets and their structures. 3. Explain the regulatory framework governing financial institutions. 4. Assess the impact of financial institutions and markets on economic stability. 					
Contents	Unit- 1 Introduction <ol style="list-style-type: none"> 1.1 Introduction to Financial Institutions 1.2 An Overview of the Financial Markets Unit- 2 Financial Markets <ol style="list-style-type: none"> 2.1 Understanding Interest Rates 2.2 The Behavior of Interest Rates 2.3 The Risk and Term Structure of Interest Rates 2.4 The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis Unit- 3 Financial Institutions <ol style="list-style-type: none"> 1.1 An Economic Analysis of Financial Structure 3.2 Banking and, Management of Financial Institutions 3.3 Economic Analysis of Financial Regulation 3.4 Banking Industry: Structure and Competition 3.5 The Financial Sector and Crises Unit- 4 Central Banking and the Conduct of Monetary Policy <ol style="list-style-type: none"> 4.1 Central Banks 4.2 The Money Supply Process 4.3 The Tools of Monetary Policy 4.4 The Conduct of Monetary Policy: Strategy and Tactic Unit- 5 Monetary Theory <ol style="list-style-type: none"> 5.1 Quantity Theory, Inflation, and the Demand for Money 5.2 The New-Keynesian Model and 5.3 Macroeconomic Policy 				

	<p>5.4 Monetary Policy Theory and Applications</p> <p>5.5 The Role of Expectations in Monetary Policy</p> <p>5.6 Transmission Mechanism of Monetary Policy</p> <p>5.7 Issues in Monetary Policy</p> <p>Unit- 6 International Finance and Monetary Policy</p> <p>6.1 The Foreign Exchange Market</p> <p>6.2 The International Financial System</p> <p>Unit- 7 Legal and Regulatory Framework of Banking Sector in Pakistan</p> <p>7.1 Prudential Regulations for Infrastructure Project Finance (IPF)</p> <p>7.2 Prudential Regulations for SME Financing, effective from December 31 2017</p> <p>7.3 Prudential Regulations for Agriculture Financing</p> <p>7.4 Prudential Regulations for Corporate/ Commercial Banking (Revised till January 2015)</p> <p>7.5 Prudential Regulations for Consumer Financing (as of August 03, 2016)</p> <p>7.6 Prudential regulations for Micro Finance Banks</p> <p>7.7 Prudential Regulations for Housing Finance</p>
Teaching & Learning Strategies	A combination of lecturing, presentations, and discussions will be used to conduct the course. Students will be expected to read extensively ahead of each class session and actively participate in discussions and practical work.
Assignments	Written assignment (10 marks), presentation (5 marks) and Quiz (10 marks)
Textbooks and Reading Material	<ul style="list-style-type: none"> • "Financial Institutions Management: A Risk Management Approach" by Anthony Saunders • "Commercial Banking: The Management of Risk" by A. Saunders and L. Allen • "Investment Banking: Institutions, Politics, and Law" by Alan D. Morrison and William J. Wilhelm Jr. • "Financial Markets and Institutions" by Frederic S. Mishkin and Stanley G. Eakins • "Market Microstructure Theory" by Maureen O'Hara • "Financial Regulation: Law and Policy" by Michael Taylor and John Turner