Instructor: Daniel T. Winkler
Classroom: 202 Bryan Building (11:00 am - 12:15 pm)
Office: 324 Bryan Bldg.
Phone: (336) 256-0122
Email: dtwinkle@uncg.edu
Office Hours 12:15 – 1:15 pm on TR; by email and appointment.

Prerequisite: A grade of C or better in FIN 315

Course Description:

Principal institutions and markets comprising the financial system; their roles in short-term, long-term and equity financing, interest rate determination and capital formation. Interrelationships between domestic and international and financial markets. Government policy objectives and regulations as influences on the financial system.

Learning Outcomes:

After successfully completing this course the student should be able to:
1. understand the determinants of interest rates, why they change, and the risk and term structure
2. understand the essential elements of the Federal Reserve System and how monetary policy is conducted
3. understand the essential elements of financial markets including the money markets, bond markets, and the instruments traded in these markets
4. apply the principles of security valuation and to find the price and yields of financial market instruments
5. understand why financial markets are efficient
6. understand the essentials of commercial bank financial statements
7. know the important banking and market regulations
8. understand why financial crises occur and why they are so damaging to the economy

Course Materials:

2. Microsoft Excel (required). Some calculations in this course will be taught using Excel. Please bring your laptop or notebook computer with you to every class.
3. HP 10BII. Some calculations are done more quickly with a financial calculator. If you have another financial calculator other than the HP10B II, you may use it instead.
4. Wall Street Journal (highly recommended). We will discuss financial news events in the classroom. Students can receive substantially discounted rates for WSJ subscriptions. Please visit www.wsj.com/studentoffer. Under School information the WSJ uses the following:
   1. Zip code for school (use first 3) – 274
   2. School Name – click on UNC GREENSBORO
   3. Referring Professor – Daniel Winkler
In addition, you will need a notebook (laptop) computer capable of taking exams and quizzes in Canvas. The syllabus, PowerPoint slides and Instructor’s ((solution) manual are posted on Canvas. Please check Canvas regularly for new announcements and postings.

Grading:

1. **Quizzes:** Quizzes will be given periodically during the semester. **These will likely be unannounced.** The focus will be primarily on the lecture material; however, I reserve the right to also include assigned textbook, questions, and problems. You will be permitted to use your written notes (not someone else’s or the textbook) so attending class and taking good notes are important. Because there may be unannounced exigencies (such as illness, an accident, etc.) two quiz grades will be dropped. **However, there are no make-up quizzes.** Be sure to bring your laptop computer to class because the exams will be administered through Canvas.

2. **Exams:** The exams will be based on homework questions, lectures, and the textbook. The coverage will include all lectures, readings, questions, and problems up to the exam date. Details will be provided as the exam date approaches. Exams will be given in class but online in Canvas so be sure to bring your laptop computer to class.

   **Exam 1:** Tuesday, February 13, 2018  
   **Exam 2:** Tuesday, March 27, 2018  
   **Comprehensive Final Exam:** Thursday, May 3, 2018 (12 – 3 pm)

   There are no make-up exams. If you miss an exam due to medical reasons or another exigency, you must notify me prior to the scheduled exam (if possible) and provide me with a note from a physician. I will determine whether the circumstance should be considered excused or unexcused and follow University policy. **If approved, the weight attributable to a missed exam will be allocated to the comprehensive final exam. If not approved, you will receive a grade of zero.** Be sure to bring your laptop computer to class because the exams will be administered through Canvas.

3. **Attendance:** You are expected to attend and participate in class. I will be taking attendance at every class. **Please be sure to sign the attendance sheet at the beginning of class.** If you arrive late, the classroom door will be closed and the attendance sheet will be removed. In this case, you can enter the class, but will sign the attendance sheet after class and receive half credit for late attendance (50%).

4. **Excel Skill Practice (Extra Credit):** Excel skills are critically important for finance majors. The Bryan School has purchased an Excel certification site license and practice software from Certiport Inc. to help Bryan School students prepare and pass the Excel Specialist exam. Certification exams will be given throughout the semester, and you are encouraged to take the certification exam when you are ready. Details are available at [https://bryan.uncg.edu/students/resources/excel-certification](https://bryan.uncg.edu/students/resources/excel-certification). If you decide to participate, please request a free practice examination code as shown on the webpage. You will receive an email with a link to the G’metrix software and a code to get access to the practice exam. Continue to take the practice exams until you are confident that you will be able to earn a grade of 80 or higher on a qualifying practice exam. A separate qualifying practice access code will be provided to you once you feel you are ready. This access code will allow three attempts on the qualifying practice exam, and you must receive an 80 on at least one of the three attempts. All the attempts must be completed in testing mode on a practice exam, not in training mode. If you receive a grade of 80 or higher, you will be placed on a list to allow you to take the certification exam (at no charge to you), and I will receive a copy of the list. The certification test date(s) will be provided along with other instructions after you pass the practice qualifying exam.

   If you receive at least a grade of 80 on the qualifying practice exam (at least one of three attempts), you will receive three (3) points added to your final course average. If you pass the actual Certiport Excel 2016 Specialist exam you will receive an additional three (3) points added to your final course average. So you can
receive a total of six (6) points extra credit added to your final course average by successfully completing both parts of this extra credit assignment.

Your grade in this class will be based on the following requirements and weights:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes (average)</td>
<td>15%</td>
</tr>
<tr>
<td>Exam 1</td>
<td>20%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>20%</td>
</tr>
<tr>
<td>Comprehensive Final Exam</td>
<td>30%</td>
</tr>
<tr>
<td>Attendance</td>
<td>15%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

The grading scale is as follows:

<table>
<thead>
<tr>
<th>Letter</th>
<th>Numerical</th>
<th>Letter</th>
<th>Numerical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade</td>
<td>Score</td>
<td>Grade</td>
<td>Score</td>
</tr>
<tr>
<td>A</td>
<td>92-100</td>
<td>C</td>
<td>72-77.9</td>
</tr>
<tr>
<td>A-</td>
<td>90-91.9</td>
<td>C-</td>
<td>70-71.9</td>
</tr>
<tr>
<td>B+</td>
<td>88-89.9</td>
<td>D+</td>
<td>68-69.9</td>
</tr>
<tr>
<td>B</td>
<td>82-87.9</td>
<td>D</td>
<td>62-67.9</td>
</tr>
<tr>
<td>B-</td>
<td>80-81.9</td>
<td>D-</td>
<td>60-61.9</td>
</tr>
<tr>
<td>C+</td>
<td>78-79.9</td>
<td>F</td>
<td>0-59.9</td>
</tr>
</tbody>
</table>

Also, an A+ grade can be attained by (a) attaining an A grade on all exams, (b) attaining an A grade average based on all the quizzes, (c) attaining a 98 average or higher in the course.

Administrative Matters:

Academic Integrity: Students are required to sign the Academic Integrity Policy on all major work submitted for the course. Adherence to the Academic Integrity Policy is required of you on all quizzes, exams and other assignments. Also, when signing into Canvas to take a quiz or exam, you are thereby signing that he or she is abiding by the UNCG Academic Integrity Policy. In addition, when taking exams or quizzes, you may not receive any help from others (inside or outside of the class), and cannot use any materials not pre-authorized by the instructor. The use of written notes, electronic notes, unauthorized software or mechanical or electronic devices is strictly forbidden and subject to disciplinary action. Therefore, failure to abide by this policy will result in disciplinary action, and the severity of the disciplinary action is at the discretion of the instructor. Generally, the disciplinary action ranges from a zero on the quiz, exam or assignment to an F grade in the class. All academic infractions will be reported to the Dean of Students.

Student Conduct: You are expected to arrive for class on time and remain in class for its duration. Disruptive behavior detracts from the learning experience of others. Further, a student may be ejected from the classroom because of disruptive behavior. If a student is notified by me more than once because of disruptive behavior, I reserve the right to lower overall course grade of the disruptive student by at least one letter grade. Further, a student disrupting the class may be administratively dropped from the class at my discretion. Disruptive behavior also includes texting, taking videos and photos, and talking on the phone in class. Also, please be aware that you are not permitted to audio or video in my classroom without my consent.

Student Disabilities: All students with a disability requesting special services must go through the Office of Disabilities Services. If a student is requesting special accommodations the student must bring paper work from Disability Services directly to me the first week of class. Please see https://ods.uncg.edu/student-services/.
Student Learning Goals – Finance Program:

Each program within the Bryan school has separate learning goals as listed with the degree program. The Finance program has the following learning goals:
1. Finance students will be able to create forward-looking financial statements
2. Finance students will be able to demonstrate the ability to utilize various financial measures to analyze the overall financial health and operating efficiency of the firm.
3. Finance students will be able to thoroughly understand the mathematic process and application of capital budgeting
4. Finance students will thoroughly understand the concepts of the time value of money (TVM), the characteristics of traditional financial securities, and the valuation of these securities.

FIN 330 emphasizes Student Learning Goal #4 through extensive coverage (qualitative and quantitative) of interest rates, duration, and various bond and money market instruments.

Topical Outline and Assignments***

Chapter Title
1. Why Study Financial Markets and Institutions?
2. Overview of the Financial System
3. What Do Interest Rates Mean and What Is Their Role in Valuation?
4. Why Do Interest Rates Change?
5. How Do Risk and Term Structure Affect Interest Rates?

Exam 1: Tuesday, February 13, 2018

6. Are Financial Markets Efficient?
7. Why Do Financial Institutions Exist?
8. Why Do Financial Crises Occur and Why Are They So Damaging to the Economy?
9. Central Banks and the Federal Reserve System

Exam 2: Tuesday, March 27, 2018

10. Conduct of Monetary Policy
11. The Money Markets
12. The Bond Market
17. Banking and the Management of Financial Institutions

Comprehensive Final Exam: Thursday, May 3, 2018 (12 – 3 pm)

*** Please do all the questions and problems at the end of each assigned chapter. This is a tentative schedule of chapters on each exam, however, it is subject to change. Please check Canvas for any changes or new information.