

**WILMINGTON UNIVERSITY
COLLEGE OF BUSINESS
BASIC COURSE INFORMATION**

COURSE TITLE: Financial Economics & Instruments

COURSE NUMBER: FIN 308

I. COURSE OBJECTIVES:

Each student will:

1. Understand the determination of nominal rates of interest to include the forces of supply and demand (the “loanable funds theory”) and the expected rate of inflation (the “Fisher Effect”).
2. Understand the relationship between interest rates and security prices with emphasis on bond valuation and yields.
3. Understand the various elements of security markets to include: money markets, bond markets, and the stock market.
4. Be able to synthesize the theories of fundamental and technical analysis, the efficient market hypothesis and the theory of the random walk into a framework of security and portfolio analysis.
5. Understand the “language” of Wall Street and effectively use such resources as the Wall Street Journal and Value Line.
6. Understand the elements of “derivatives”, including: futures, options, swaps, and foreign exchange derivatives.
7. Understand the influence of the FED, monetary policy and international economics, and finance on financial markets and associated financial instruments.