IB9TJ-15 Financial Markets and Investments

27/28

Department
Warwick Business School
Level
Taught Postgraduate Level
Module leader
Gi Kim
Credit value
15
Module duration
10 weeks
Assessment
20% coursework, 80% exam
Study location
University of Warwick main campus, Coventry

Description

Introductory description

This module provides a foundational introduction to financial markets, instruments, and investment decision-making. It is designed for students with limited prior exposure to finance and covers key areas such as the structure and role of financial markets, basic valuation of securities, and the trade-off between risk and return. The module emphasises intuitive understanding and real-world applications, introducing students to equities and fixed-income instruments, portfolio diversification, and the role of financial institutions. More advanced technical topics are excluded to ensure accessibility, while providing a strong platform for subsequent finance modules within the programme.

Module aims

The module aims to:

Introduce the structure and functioning of key financial markets and institutions
Develop understanding of fundamental financial concepts, including risk, return, and valuation
Provide basic tools for analysing investment decisions in equities and fixed-income securities
Build intuition for portfolio diversification and risk management

Prepare students with no prior finance background for further study in finance-related modules within the programme

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Introduction to financial systems and markets – Overview of financial markets, key participants, and their economic roles
Financial assets and instruments (equities and bonds) – Basic features and functions of major financial securities
Time value of money – Core principles of discounting and compounding for valuing cash flows
Interest rates and bond pricing – Relationship between interest rates, bond prices, and yields
Equity valuation fundamentals – Intuitive approaches to valuing shares based on expected cash flows
Risk and return – Measurement and trade-off between investment risk and expected return
Portfolio diversification – How combining assets reduces risk and improves investment outcomes
Asset pricing and CAPM – Linking risk to expected return using the Capital Asset Pricing Model
Portfolio choice and investment strategies – Applying risk–return concepts to asset allocation and investment decisions
Market efficiency and behavioural aspects – Understanding how information and investor behaviour affect market prices

Learning outcomes

By the end of the module, students should be able to:

- Demonstrate a working understanding of financial markets, instruments, and institutions, and explain core concepts such as time value of money, valuation, risk and return, and basic asset pricing (CAPM).
- Interpret financial information, analyse investment choices in a structured way, and relate theoretical concepts to real-world financial market behaviour.

Indicative reading list

[Reading lists can be found in Talis]

Subject specific skills

Apply basic financial tools to value simple securities, analyse risk and return, and make informed investment decisions using diversification and asset pricing concepts.

Transferable skills

Use basic numerical and analytical techniques, interpret financial data, and communicate financial reasoning clearly in written form.

Study

Study time

Type	Required
Lectures	10 sessions of 2 hours (13%)
Seminars	9 sessions of 1 hour (6%)
Private study	49 hours (33%)
Assessment	72 hours (48%)
Total	150 hours

Private study description

Private study to include preparation for lectures/ seminars and own reading

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group D

	Weighting	Study time	Eligible for self-certification
Assessment component			
Class test (45 mins)	20%	14 hours	No
Reassessment component is the same			
Assessment component			
Examination (2 hours)	80%	58 hours	No

- Answerbook Pink (12 page)

	Weighting	Study time	Eligible for self-certification

Reassessment component is the same

Feedback on assessment

Cohort-level written feedback

Past exam papers for IB9TJ

Availability

Courses

This module is Core for:

- Year 1 of TIBS-N1F5 Postgraduate Taught Business and Finance