

H9FR2: Financial Regulations

Module Code:	H9FR2
Long Title	Financial Regulations APPROVED
Title	Financial Regulations
Module Level:	LEVEL 9
EQF Level:	7
EHEA Level:	Second Cycle
Credits:	10
Module Coordinator:	Rohit Verma
Module Author:	Andrea Del Campo Dugova
Departments:	School of Computing
Specifications of the qualifications and experience required of staff	Lecturer PhD/Master's degree in a computing or cognate discipline. May have industry experience also. Tutor PhD/Master's degree in a computing or cognate discipline. May have industry experience also.
Learning Outcomes	
<i>On successful completion of this module the learner will be able to:</i>	
#	Learning Outcome Description
LO1	Understand the knowledge that provides a basis or opportunity to be original in the development and / or application of ideas, often in a research context.
LO2	Investigate and evaluate key concepts relating to financial and regulatory plumbing essential to support this economic activity.
LO3	Contextualise and utilise current approaches, applications and technologies in order to develop empirical research
LO4	Critically review the economic and financial evolution to financial regulation and FinTech
Dependencies	
Module Recommendations	
No recommendations listed	
Co-requisite Modules	
No Co-requisite modules listed	
Entry requirements	Programme entry requirements must be satisfied.

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Module Content & Assessment			
Indicative Content			
Introduction to the Financial System Financial and Financial Regulation Components and structure of the financial system The primary purpose of the financial system The Strategies of Financial Regulation			
Financial Institutions and Trading in Financial Markets Introduction to Risk vs Return, CAPM, Portfolio Theory, Commercial Banking, Capital requirements, Investment Banking, securities Trading, Insurance Companies and Pension Plans, The Rationale for Stock Exchange The Markets, Long and Short Positions in Assets, Derivative Markets, Clearing Houses, Margin, Non-traditional Derivatives			
The Credit Crisis of 2007 The Roles of Information Intermediaries, Credit rating agencies, Security Analysts, The US Housing Market, Structured Finance Weaknesses			
Quantitative Techniques I for Financial Regulation Compounding Frequencies for Interest Rates, Zero rates, Forward Rates and Zero-Coupon Yield Curves Valuing Forward and Futures Contracts and Swaps and Credit Default Swaps			
Quantitative Techniques II for Financial Regulation (with prescribed Measurement tools) Valuing European and American Options GARCH processes for measuring volatility Gaussian Copula and Value at Risk Credit Risk Measurement and Bank Balance Sheets			
Economic and Regulatory Capital Requirements (International and EU Financial Regulation) ICAAP (Internal Capital Adequacy Assessment Process) Basel I, Basel II, and Solvency II, Basel 2.5, Basel III, and Dodd–Frank, CRD IV and CRR. The Role of EBA and Central Banks.			
Insured Depository Institutions (Banks) Economic Function of Commercial Banks. Why does a bank's capital structure matter for financial stability? The Role of EBA and Central Banks.			
Securitization, "Shadow Banking" and Market-based Credit Intermediation Securitization, Asset Management and Investment Funds: investment funds, investment banks, and structured financial products. The regulation of Securities within the EU.			
Measuring Financial Institutions Risk Setting out the internal risk limits of Financial Institutions using Greeks Interest Rate Risk: Swap rates, Duration, Asset Liability Management, Caps, Floors and Swaptions.			
MiFID and MiFID II. The regulation of Derivative Instruments (EMIR) and Dodd Frank Centralised Counterparties. Investor protection and market transparency and more explicit regulations around investment and derivative products.			
FinTech How are FinTech companies or platforms disrupting traditional financial services and institutions? How should FinTech be regulated? FCA, Regulatory Sandbox, https://www.fca.org.uk/firms/regulatory-sandbox			
Enforcement and Fining A political economy account of bank fines since the GFC.			
Assessment Breakdown			%
Coursework			60.00%
End of Module Assessment			40.00%
Assessments			
Full Time			
Coursework			
Assessment Type:	Formative Assessment	% of total:	Non-Marked
Assessment Date:	n/a	Outcome addressed:	
Non-Marked:	Yes		
Assessment Description: Formative assessment will be provided on the in-class individual or group activities. Feedback will be provided in written or oral format, or on-line through Moodle. In addition, in class discussions will be undertaken as part of the practical approach to learning.			
Assessment Type:	Continuous Assessment	% of total:	60
Assessment Date:	n/a	Outcome addressed:	
Non-Marked:	No		
Assessment Description: Student should write a series of short essays and develop a number of financial models standard in the Regulatory Landscape			
End of Module Assessment			
Assessment Type:	Terminal Exam	% of total:	40
Assessment Date:	End-of-Semester	Outcome addressed:	
Non-Marked:	No		
Assessment Description: End of term invigilated exam			
No Workplace Assessment			
Reassessment Requirement			
Repeat examination Reassessment of this module will consist of a repeat examination. It is possible that there will also be a requirement to be reassessed in a coursework element.			
Reassessment Description The repeat strategy for this module is by repeat terminal examination that covers all learning outcomes.			

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Module Workload				
Module Target Workload Hours 0 Hours				
Workload: Full Time				
Workload Type	Workload Description	Hours	Frequency	Average Weekly Learner Workload
Lecture	Classroom and demonstrations	24	Per Semester	2.00
Tutorial	Mentoring and small-group tutoring	24	Per Semester	2.00
Independent Learning	Independent learning	202	Per Semester	16.83
Total Weekly Contact Hours				4.00
Workload: Blended				
Workload Type	Workload Description	Hours	Frequency	Average Weekly Learner Workload
Lecture	Classroom and demonstrations	12	Per Semester	1.00
Tutorial	Mentoring and small-group tutoring	12	Per Semester	1.00
Directed Learning	Directed e-learning	24	Per Semester	2.00
Independent Learning	Independent learning	202	Per Semester	16.83
Total Weekly Contact Hours				4.00
Workload: Part Time				
Workload Type	Workload Description	Hours	Frequency	Average Weekly Learner Workload
Lecture	Classroom and demonstrations	24	Per Semester	2.00
Tutorial	Mentoring and small-group tutoring	24	Per Semester	2.00
Independent Learning	Independent learning	202	Per Semester	16.83
Total Weekly Contact Hours				4.00

Module Resources	
<i>Recommended Book Resources</i>	
<p>Armour, Awrey, Davies et al.: (2016), Principles of Financial Regulation, Oxford University Press.</p> <p>John C. Hull. (2023), Risk Management and Financial Institutions (Wiley Finance), 6TH ED. Wiley.</p> <p>Abad, Jorge. Shedding Light on Dark Markets, ESRB Occasional Paper Series, No. 11,, Frankfurt a. M, [ISBN: 978-92-95081-62-8].</p>	
<i>Supplementary Book Resources</i>	
<p>Moloney, N. (2023), EU securities and financial markets regulation (Oxford European Union Law Library), 4TH ED. OUP Oxford.</p>	
<i>Recommended Article/Paper Resources</i>	
<p>Zazzara. (2019), "The new OTC derivatives landscape: (more) transparency, liquidity, and electronic trading" Journal of banking Regulation.</p> <p>Tarullo, Daniel K.. (2019), "Financial Regulation: Still Unsettled a Decade after the Crisis." Journal of Economic Perspectives, 33 (1): 61-80..</p> <p>Iain Sheridan. (2017), MiFID II in the context of Financial Technology and Regulatory Technology, Capital Markets Law Journal, Vol. 12, No. 4.</p> <p>Yeoh, Peter. (2019), "MiFID II key concerns." Journal of Financial Regulation and Compliance.</p> <p>Yuka Hayashi, Judge Denies. Federal Agency's Authority to Issue FinTech Bank Charters, Wall Street. Journal.</p> <p>Global Financial Stability Report April IMF 2008.</p> <p>Global Financial Stability Report October IMF 2009.</p> <p>Corporate Governance Requirements for Credit Institutions (Code)Guidance on Supervisory Interaction with Financial Institutions on Risk Culture.</p>	
<i>Other Resources</i>	
<p>[Website], Website, http://www.iosco.org</p> <p>[Website], ESMA, http://www.esma.europa.eu</p> <p>[Website], ESRB, https://www.esrb.europa.eu/home</p> <p>[Website], EBA, https://www.eba.europa.eu</p> <p>[Website], Basel Committee on Banking Supervision, http://www.bis.org</p> <p>[Website], European Banking Authority, http://www.eba.europa.eu</p> <p>[Website], Financial Stability Board, http://www.fsb.org</p> <p>[Website], IMF, https://www.imf.org/en/Home</p>	
Discussion Note:	