



FAKULTET ZA EKONOMIJU I BIZNIS

MEDITERRANEAN UNIVERSITY PODGORICA
FACULTY OF ECONOMICS AND BUSINESS

SUBJECT LIST
MASTER STUDIES

ECONOMETRICS		
General Information		
Course code:	B04	
Course status:	Compulsory	
Year:	4	
Semester:	VII	
ECTS/CSPK:	6	
SCHEDULE		
Lectures	Practice	
48 (2 per week)	48 (2 per week)	
STUDENT WORKLOAD		
Weekly	Per Semester	
6 ECTSs x 40/30 = 8 hours Structure: 2 hours of lectures 2 hours of tutorials 4 hours of individual work, including consultations	<u>Total subject workload:</u> 6 ECTS x 30 + 16 = 180 hours Structure Teaching and final exam: 8 x 15 = 120 hours Required preparation prior to the beginning of semester (paperwork, registration, verification) 2 x 8 = 16 hours Total subject workload: 6 x 30 = 180 hours Remedial work for preparing for and taking make-up exam from 0 – 60 hours (the time left from the first two items to the total subject workload) Workload structure: 120 hours (classes) + 16 hours (preparation) + 44 hours (remedial work) = 180 hours	
COURSE DESCRIPTION		
Prerequisites: None		
Objectives: Mastering of econometric methods that enable, through a systematic method of connecting the assumptions of economic theory with the study of real economic systems, the fulfilment of three goals of econometrics: testing hypotheses, forecasting economic phenomena and helping in economic decision-making.		
Teaching and learning methods: Lectures include presentation of theoretical frameworks of econometric analysis, which will be illustrated with practical examples. In tutorial classes, students will learn how to solve numerical problems.		
COURSE CONTENTS (LECTURES)		
Preparatory week	Introduction to the subject matter, presentation of curriculum content and the like	
Week I	Concept of econometrics, steps in econometric analysis	
Week II	Probability distribution	
Week III	PRACTICAL CLASSES: Statistical inference through computer-based computation, practical examples	
Week IV	Introduction to regression analysis	
Week V	MID-TERM EXAM I	
Week VI	Classic Linear Regression Model (KLRM)	
Week VII	Free week	
Week VIII	Classical multiple linear regression model	
Week IX	Multicollinearity, testing of linear constraints	
Week X	PRACTICAL CLASSES: Artificial variables	
Week XI	Mid-term Exam II	
Week XII	Parameter stability testing	

Week XIII	Heteroskedasticity and autocorrelation
Week XIV	Basic methods in time series analysis
Week XV	Preparation for the final exam
Final Week	Final Exam
STUDENT RESPONSIBILITIES	
Students are obliged to attend lectures and tutorials regularly, as well as to do assignments given to them within practical classes.	
LITERATURE	
Core reading:	
<ol style="list-style-type: none"> 1. Mladenović, Z. i Petrović P., Uvod u ekonometriju, Ekonomski fakultet, Beograd, 2007; 2. Mladenović, Z. i Nojković A., Zbirka rešenih zadataka iz ekonometrije, Ekonomski fakultet, Beograd, 2011; 3. Gujarati, D., Basic Econometrics, Fourth Edition, McGraw-Hill, 2003; 	
KNOWLEDGE ASSESSMENT AND GRADING	
<ul style="list-style-type: none"> - Mid-term exam – maximum 40 points - Assignments based on practical classes – maximum 10 points - Final exam – maximum 50 points - The student has passed the exam if he/she has accumulated at least 50 points from all forms of knowledge testing and the grade is determined according to the below scheme). 	
Grade	A B C D E
Number of points	91-100 81-90 71-80 61-70 51-60
Special remarks:	

INVESTMENT BANKING	
General Information	
Course code:	B26
Course status:	Compulsory
Year:	5
Semester:	IX
ECTS/CSPK:	8
SCHEDULE	
Lectures	Practice
48 (3 per week)	48 (1 per week)
STUDENT WORKLOAD	
Weekly	Total subject workload: 6 ETCS x 30 + 10 =140 hours
6 ECTSs x 40/30 = 9 hours	Structure
Structure:	Teaching and final exam: 9 x 15 = 170 hours
2 hours of lectures	Required preparation prior to the beginning of semester (paperwork, registration, verification) 2 x 5 = 10 hours
1 hours of tutorials	Total subject workload: 6 x 30 = 180 hours
7 hours of individual work, including consultations	Remedial work for preparing for and taking make-up exam from 0 – 60 hours (the time left from the first two items to the total subject workload)
	Workload structure: 170 hours (classes) + 20 hours (preparation) + 48 hours (remedial work) = 240 hours
COURSE DESCRIPTION	
Prerequisites: None	

Objectives:

Enabling understanding the role and importance of investment banks in the financial market, their organization and way of doing business. Upon completion of the course, students will be able to understand and apply the basic knowledge in the field of investment banking, analyse, follow developments related to investment banking in global and national financial markets, as well as to conduct research in this area.

Teaching and learning methods:

use of various teaching methods including lectures, discussions, work in small groups, preparation of case studies, research, etc.

COURSE CONTENTS (LECTURES)

Preparatory week	Introduction to the subject matter, presentation of curriculum content and the like
Week I	<p>Introduction Syllabus overview</p> <ul style="list-style-type: none"> - Introduction to investment banking - New structure of investment banks <p>Learning outcome</p> <ul style="list-style-type: none"> - Introduction to investment banking: organization, operations - What are the changes in modern investment banking
Week II	<p>Investment bank strategies - how they compete and make profit Venture and private capital</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Understanding competitiveness in investment banking - Possibility of risk and private capital analysis
Week III	<p>Mergers and Acquisitions (M&A) Underwriting and IPO</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Understanding the role of investment banks in the M&A and IPO process
Week IV	<p>Assumption of debt: bond issuance</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Understanding the bond issuance process - Independent bond analysis
Week V	<p>Asset securitization</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Understanding the securitization process and independent analysis of securitized assets
Week VI	<p>Repurchase Agreement (REPO) and basic intermediation</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Independent analysis of REPO
Week VII	<p>Derivatives and financial engineering</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Independent analysis of derivatives
Week VIII	<p>Investment management for pension funds, endowments and wealthy families</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Understanding the role of investment banking in fund management consulting.
Week IX	<p>Investment banking in BRIC countries</p> <p>Learning outcome</p> <ul style="list-style-type: none"> - Introduction to the expansion of investment banking in the world
Week X	<p>Trends in investment banking Understanding modern trends in investment banking</p>
Week XI	Seminar papers
Week XII	Presentation of papers
Week XIII	Presentation of papers
Week XIV	Presentation of papers

Week XV	Consolidation of the theoretical part Preparation for the final exam				
Final Week	Final Exam				
STUDENT RESPONSIBILITIES					
<p>1. <u>Individual work (case study)</u>: Every student is obliged to write an essay (5-8 pages). The student will present his/her work (slides), whereupon there will be a short discussion about its content.</p> <p>2. <u>Group work (empirical research)</u>: The group work of students consists of the preparation and presentation of group work based on a questionnaire for specific examples from practice</p> <p><u>Class activities</u>: discussions, exchange of opinions, critical thinking</p> <p>Students' obligations during classes: Students are obliged to regularly attend lectures and perform their duties.</p>					
LEARNING OUTCOMES					
<p>Independent investment analysis of individual securities related to the price and yield of financial instruments. Understanding of the functioning and importance for financial markets of investment banks, especially in the area of mergers and acquisitions.</p> <p>Practical classes: Work on specific problems and visits to financial institutions: Stock Exchanges, Investment Banks and Investment Fund.</p>					
LITERATURE					
<p>Core reading:</p> <ul style="list-style-type: none"> - K. Thomas Liaw "The Business of Investment Banking – A Comprehensive Overview", 3rd edition, John Wiley & Sons, Inc., 2012 <p>Further reading:</p> <ul style="list-style-type: none"> - Alan D. Morrison and William J. Wilhelm, Jr. "Investment Banking – Institutions, Politics and Law", Oxford University Press, 2007 - Michel Fleuriet, Investment Banking Explained – An Insider`s Guide to the Industry, The McGraw-Hill, 2008 <p>Joshua Rosenbaum and Joshua Pearl, Investment banking: Valuation, Leveraged Buyouts, and Mergers & acquisitions, John Wiley & Sons, 2009</p>					
KNOWLEDGE ASSESSMENT AND GRADING					
Individual work 40%, 2) Group work 30% 3) Class activity 20%.					
Grade	A	B	C	D	E
Number of points	91-100	81-90	71-80	61-70	51-60
Special remarks:					