Illinois State University
Department of Finance, Insurance, & Law
College of Business
Fall 2026

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Phone: 309-438-3959	Office hours: Wed. 11:00 a.m.-12:15 p.m.
Office: SFHB 425	and 3:20-3:45 p.m. and by appointment

COURSE INFORMATION

Course Number & Title: FIL 241– Financial Markets
Prerequisites: Junior standing, Grade of C or better in FIL 190 or FIL 240
Class Time and Location: Section 3: Monday and Wednesday, SFHB 133, 9:35-10:50 a.m.
Section 4: Monday and Wednesday, SFHB 369, 12:35-1:50 p.m.
Section 5: Monday and Wednesday, SFHB 355, 2:00-3:15 p.m.

Course Description

This course introduces you to a broad set of topics pertaining to financial markets and institutions, focusing mainly on the United States. We will study the determinants of interest rates, the roles of central banks in financial markets, features of various financial assets and markets these assets trade in, as well as risks encountered by market participants. We will also discuss financial theories in the context of current and recent financial markets events.

Course Objections

Upon successful completion of this course:

- Students will be able to explain and compare various financial markets – money, bond, mortgage, equity, foreign exchange, and financial derivatives markets – and the financial instruments traded in these markets.
- Students will understand the role of financial institutions, including central banks, and their impact on financial markets.
- Students will be able to apply quantitative techniques used by participants in the financial markets, including computing values and yields of money and capital market instruments.
- Students will understand factors affecting changes in the value of money and the resulting impact on markets and market measures.

Course Material

The required text is *Financial Markets & Institutions*, 2024 Evergreen release (ISBN-13: 9781265068349), by Saunders, Cornett, and Erhemjamts. The 7th edition (ISBN-13: 9781259919718) and 8th edition (ISBN-13: 9781260772401) of the book are also acceptable. Both eTextbook and physical books are available; either is acceptable. While you may find McGraw Hill's online resources system, "Connect," helpful, these are not required and will not be used in class. A copy of the text is available at the Course Reserves in the Milner Library.

Also, reading the *Wall Street Journal* (*WSJ)* or other financial press will keep you informed of the latest news about the economy and stock markets. There will be assignments throughout the semester which require you to read and summarize *WSJ* articles. I will also discuss articles from *WSJ* during class that are related to the textbook topics. You should have access to an online subscription. You can purchase a subscription using the following: Link for WSJ Subscription.

While not required, I recommend investing in a *financial calculator*. I will demonstrate how to use the TI-BA II Plus during class and suggest it. You will need a calculator when taking exams. The Canvas course website will be the primary source of communication outside of the classroom and you should consult it on a regular basis. The website will contain lecture slides, lecture videos, assignments, exams, and any changes in the course schedule.

Exams

There are four exams. If you miss an exam, you will receive a zero. A make-up exam in any circumstance is not guaranteed and will only be given in rare circumstances at the discretion of the instructor.

Homework Assignments

There are four homework assignments. These are designed to give you additional practice in preparation for the exam. *Since I will post solutions soon after the assignment is due, this means I will not be able to accept late homework*. Answers should be submitted on Canvas. You can (and I strongly encourage you to) look at the questions beforehand on the homework and work them out in advance by downloading the document attached in the instructions section on Canvas. You may upload a copy of your work in order to receive partial credit for incorrect answers.

Wall Street Journal **Assignments**

The field of finance is constantly evolving. Reading the *Wall Street Journal* or similar publications will help keep you aware of these developments and gain a greater understanding of investments and other financial topics. Each student is required to read and briefly summarize one article most weeks. Please use articles that are on a financial topic. See the course schedule for the full list of due dates.

There are 11 due dates, but you are allowed to miss 1 of the 11 assignments without penalty (i.e. you are only graded on 10 assignments). The summary should be in your own words and highlight the author's overall main idea as well as 2 or 3 important sub-ideas in the article. Additionally, you should include a few of your own thoughts and analysis of the article/topic. Assignments should be submitted electronically on Canvas. Examples of ideal work will be shown in class. We will typically spend the first few minutes of class discussing recent articles on assignment due dates.

Excel Assignments

There will be four Microsoft Excel assignments. These are designed to help you learn skills in Excel as well as provide deeper understanding of topics discussed in class. Online videos walk you through much of the assignment, with a smaller portion for you to try on your own. You should turn your assignment in on Canvas where you will also find the project instructions, videos, and raw data files.

Class Participation & Attendance

A portion of your grade will come from class participation and attendance. During most classes, there will be a class participation sheet for students to fill out as they follow along with the lecture. During online classes, this should be submitted on Canvas. During in person classes, this will be turned in during class. Up to three times during the semester, students can miss an in-person class, watch the lecture videos on Canvas, and submit a class participation sheet on Canvas to receive credit for the day's class participation. This option is available for lectures but not exam review days. You also get one-free miss with no make up work required.

Late Work

No late homework assignments are accepted. For *WSJ* assignments and Excel Projects, late work is accepted up to two weeks after the due date but comes with a 5-point late penalty per day late. December 3 is the final day that late work is accepted. Class participation sheets are also accepted late with a similar penalty, but the final day to submit them is one day prior to the exam review for that unit.

Grading Scale

Your course grade will determined as follows:

Course letter grades:

Grade	Percentage
A	90%
B	80%
C	70%
D	60%
F	Below 60%

Weights used for calculating final grade:

Item	Individual Weights	Number	Total Weight
Exams	15%	4	60%
WSJ Assignments	0.6%	10	6%
Excel Projects	3%	4	12%
Homework Assignments	3%	4	12%
Class Participation & Attendance			10%

The final examination schedule for this course will be provided later in the semester. I reserve the right to make changes to the course schedule whenever required. Please look up on Canvas for updates to the course schedule.

Instructor's Statements

The key to gaining a good understanding of the course material is to pay attention and take notes during class and stay current with the readings. I strongly encourage you to purchase the textbook and subscribe to *WSJ*. You are encouraged to speak up during class or visit during office hours when you have questions.

I am happy to help you during my office hours. For our interaction to be fruitful, it is important that you first identify specific problems or concepts that you are having difficulty with. I look forward to working with you and contributing to your academic and future professional success.

Academic Integrity and Artificial Intelligence Policy

You are expected to be honest in all academic work, consistent with the academic integrity policy as outlined in the Code of Student Conduct. All work is to be appropriately cited when it is borrowed, directly or indirectly, from another source. Unauthorized and/or unacknowledged collaboration on any work, or the presentation of someone else's work, is plagiarism.

Content generated by an Artificial Intelligence third-party service or site (AI-generated content such as ChatGPT) without proper attribution or authorization is another form of plagiarism. *Unless an assignment's instructions explicitly states otherwise, you should assume the use of generative AI tools is not permitted during the completion of any assigned work.*

You are required to submit work that reflects your own understanding of the information. You are allowed to speak with classmates and others regarding your work in the course and/or consult web sources for information; however, the completed submissions must be, fully, in your own words and your work. If your answer(s) appear to be generated with artificial intelligence chatbots and/or other software and/or natural language processing tools driven by artificial intelligence (e.g., ChatGPT), and/or work appears to be copied and pasted from a website this will be investigated for academic dishonesty. Copying and/or disseminating any material on exams is considered academic dishonesty.

Any allegation of academic dishonesty may be referred to the Student Conduct Office, a unit of the Dean of Students Office, for possible review. If found responsible for academic dishonesty, a grade penalty of up to receiving an "F" in the course is possible depending on the case and at the instructor's discretion.

Treatment of the State Farm Hall of Business

To keep the building functioning as an attractive and extremely effective professional workplace, the College of Business prohibits the consumption of food or beverages in the classrooms. (Preventing damage to electronic equipment and carpets is a major concern, but keeping the facility looking good for students, staff, and visitors should be a goal we all share.) Bottled water is the only consumable item you are welcome to have open during class. We will observe this rule without exception.

Notice of recording a class session by the instructor

The University wants to make students aware that a course may be recorded by the faculty member for later use. Please understand that each faculty member makes an individual decision on whether recording and/or sharing their class materials is warranted. Any recordings that a faculty member makes available are for use by students enrolled in the class and are for the purpose of individual or group study only. The recordings may not be reproduced, shared with those not in the class, or uploaded to publicly accessible web environments. Please do not independently record the course without prior authorization from the faculty member or an approved accommodation from Student Access and Accommodations Services office.

Student Access and Accommodation Services

Any student needing to arrange a reasonable accommodation for a documented disability and/or medical/mental health condition should contact Student Access and Accommodation Services at 350 Fell Hall, (309) 438-5853, or visit the website at StudentAccess.IllinoisState.edu.

Professional Standards

All students in this course are expected to be familiar with the "College of Business Standards of Professional Behavior and Ethical Conduct." (refer to This Link for Details on Professional Standards) Please note that only bottled water may be consumed in the classroom wing of the College of Business Building and that all cell phones and other electronic devices should be turned off and stored away during classes, unless permission is otherwise granted by the instructor.

Mental Health

Life at college can get complicated. If you're feeling stressed, overwhelmed, lost, anxious, depressed or are struggling with personal issues, do not hesitate to call or visit Student Counseling Services (SCS). These services are free and completely confidential. SCS is located at 320 Student Services Building, (309) 438-3655.

Absence for Bereavement, Active Military Duty, Serious Communicable Disease

If you need to miss class due to the loss of a family member, active military duty, or required quarantine/isolation for a serious communicable disease, contact the Dean of Students Office to request that a formal excused absence notice be sent to your instructors. The Dean of Students Office can send a courtesy notice to your instructors about other absences, but many other absences (including routine illness for which isolation/quarantine are not indicated) are governed by the absence policy for this course and are not excused under university policy.

Absence for University-Authorized Activity

If you need to miss class due to a university-authorized activity, as defined by University policy, it is your responsibility to (1) inform instructors of scheduled absences in advance, (2) provide a schedule of all semester absences, as soon as you know, where possible, and, (3) arrange to complete missed class work. Ultimately, it is your responsibility for any material covered in missed class(es).

Tentative Course Schedule*

Wk	Mnth	Date	Format	Topic	Ch.	Assignment
1	Aug.	Mon. 17	**In Person**	Introduction	1	
		Wed. 19	**In Person**	The Federal Reserve System	4	
2		Mon. 24	Online	Determinants of Interest Rts.	2	
		Mon. 24	*Optional*	*Extra Credit: FOMC Simulation (In person)*		
		Wed. 26	**In Person**	Money Markets	5	**Excel #1**, WSJ #1
3		Mon. 31	Online	Money Markets	5	
	Sept.	Wed. 2	**In Person**	Review		**HW #1,** WSJ #2
4		Mon. 7		*Labor Day- No Class*		
		Wed. 9	**In Person**	**Exam 1 (Ch. 1, 2, 4, 5)**		
5		Mon. 14	Online	Mortgage Markets	7	
		Wed. 16	**In Person**	Mortgage Markets	7	WSJ #3
6		Mon. 21	Online	Bond Markets	6	
		Tues. 22	*Optional*	*Meet the Firms Event from 4-7pm in Brown Ballroom*		
		Wed. 23	**In Person**	Interest Rates & Security Valuation	3	**Excel #2**, WSJ #4
7		Mon. 28	Online	Bond Markets	6	
		Wed. 30	**In Person**	Review		**HW #2**, WSJ #5
8	Oct.	Mon. 5	**In Person**	**Exam 2 (Ch. 3, 6, 7)**		
		Wed. 7	**In Person**	Stock Markets	8	WSJ #6
9		Mon. 12	Online	Stock Markets	8	
		Wed. 14	**In Person**	Stock Markets	8	**Excel #3,** WSJ #7
10		Mon. 19	Online	Fintech & Cryptocurrencies	Slides	
		Wed. 21	**In Person**	Foreign Exchange Markets	9	WSJ #8
11		Mon. 26	Online	Types of Risks Incurred by Financial Institutions**	20	
		Wed. 28	**In Person**	Review		**HW #3**
12	Nov.	Mon. 2	**In Person**	**Exam 3 (Ch. 8, 9, 20, and Fintech/Crypto)**		
		Wed. 4	**In Person**	Derivative Securities Mkts.	10	WSJ #9
13		Mon. 9	Online	Derivative Securities Mkts.	10	
		Wed. 11	**In Person**	Derivative Securities Mkts.	10	**Excel #4,** WSJ #10
14		Mon. 16	Online	Financial Crisis	Slides	
		Wed. 18	**In Person**	Fed, Pandemic, & Inflation	Slides	WSJ #11
15		23 & 25		*Thanksgiving Break – No Class*		
16		Mon. 30	Online	Commercial Banks & Credit Unions	11, 14	
	Dec.	Wed. 2	**In Person**	Review		**HW #4**
17		Finals Week		**Exam 4 (Ch. 10, 11, 14, Fin. Crisis, Fed/Pandemic/Infl.)**		

*Subject to change
**Note that Chapter 20 on Types of Risks Incurred by Financial Institutions in the 8th edition of the book is instead chapter 19 in the 7th edition of the book. If you have an older version of the book, please take note of this.