



Econ2300B 570
Investment and Financial Markets
Winter 2026

Instructor: Xun Chen
Email: xche225@uwo.ca

Course Information

Mode of Instruction: In Person

Calendar Description:

This course provides an introduction to investment strategies and financial markets with an emphasis on the Canadian Financial System.

Pre-requisite(s): Economics 1021A/B and Economics 1022A/B; and one of MCV4U, Mathematics 0110A/B, Calculus 1000A/B, Calculus 1500A/B, Mathematics 1225A/B, or Mathematics 1230A/B.

Anti-requisite(s): Economics 2121A/B, Economics 2181A/B, and Economics 3346A/B.

Extra Information: 3 hours.

Course Weight: 0.50

Breadth: CATEGORY A

Subject Code: ECONOMIC

Notice: Unless you have either the requisites for this course (fulfilment of pre-requisites, no anti-requisite conflicts), or special permission from your Dean to enrol in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.

Economics 2300A (570)
Investment and Financial Markets
Winter 2025-2026

Pre-requisite(s): Economics 1021A/B and Economics 1022A/B; and one of MCV4U, Mathematics 0110A/B, Calculus 1000A/B, Calculus 1500A/B, Mathematics 1225A/B, or Mathematics 1230A/B.

Anti-requisite(s): Economics 2121A/B, Economics 2181A/B, and Economics 3346A/B.

Instructor name: Xun Chen
Course website: <https://westernu.brightspace.com>
Office hours: Wednesday, 12:00-1:00 PM (location TBA)
Email address: xche225@uwo.ca. Emails should be sent from your western email. Subject line should begin with the course number and section (**2300B-570**) and include the topic of the email. Emails need to be respectful and concise.

Course Description

This course introduces investment strategies and financial markets with an emphasis on the Canadian Financial System. The topics in this course include the role of financial markets, the importance and determinacy of interest rate, and conduct of monetary policy (with special reference to Canada), international finance and monetary policy, debt and equity markets, market microstructure, investment, and others.

Course Objectives

This course aims at enabling students to understand, value, and apply key concepts and theories related to selected topics in the economics of investment and financial markets, as well as the Canadian financial system within the global economy.

Mode of instruction

All lectures and exams will be delivered in person.

Course learning outcomes

After successful completion of the course, students are expected to be able to:

- Explain how markets/institutions allocate capital and manage risk.
- Analyze interest rates from inflation, risk, liquidity, and economic conditions.
- Interpret term and risk structures behind yields and yield curves.
- Understand the Federal Reserve’s structure, mandates, and policy tools.
- Analyze how policy shapes interest rates, credit, and output.
- Explain bond issuance, pricing, yields, duration, and credit risk.
- Explain IPO/SEO processes and investor monitoring of governance.
- Value stocks via various methods and assess risk-return.

Course materials

Financial markets & institutions, Jeff Madura, 14th Edition, Cengage

This textbook is available for purchase at the Western Library (Hardcopy \$203.95, Rental \$80):

https://bookstore.uwo.ca/textbook-search?campus=KC&term=W2025B&courses%5B0%5D=570_KC/ECO2300B

Course topics¹

- Chapter 1: Role of Financial Markets and Institutions
- Chapter 2: Determination of Interest Rates
- Chapter 3: Structure of Interest Rates
- Chapter 4: The Fed
- Chapter 5: Monetary Policy
- Chapter 6: Money Markets
- Chapter 7: Bond Markets
- Chapter 10: Stock Offerings and Investor Monitoring
- Chapter 11: Stock Valuation and Risk
- Chapter 12: Market Microstructure and Strategies

Method of Evaluation

	Attendance	Assignments	Midterm exam	Final exam
Time		TBA	10:05-11:20 AM 25th, March	TBA
Weight	6%	24%	30%	40%

Attendance: Students are expected to come to class so they can participate effectively. Although attendance may not be formally recorded every class, absences will be noticed. Participation includes in-class contributions, engagement on the OWL

¹ Subject to change.

Brightspace forum, and awareness of relevant current events, all of which are important components of this course.

- Assignments:** There are three assignments for this course (8% each). Students must complete and submit their work through OWL Brightspace by the specified deadline. Late submissions within five days after the deadline will incur a 25% penalty. Academic considerations must also be submitted within five days after the deadline. In all other cases, the assignment will receive a grade of zero.
- Midterm:** 30% of the final grade, taking place on **10:05-11:20 AM 25th, March, in the scheduled class.** It is a 75-min closed-book exam. **A student cannot use the undocumented academic consideration for the Midterm.** Academic considerations due to acceptable reasons in accordance with university policy must also be submitted to the academic committee within five days after the deadline or the date of the Midterm.
- Final exam:** 40% of the final grade. The exact time and location of the final exam is tba (on OWL and via email). The final exam will be 2-hour, in-person and closed-book. The final exam will cover all material from lectures and readings for the entire semester.

Notice:

(1) Students are permitted one academic consideration for one evaluation in this course without formal supporting documentation expect for the Midterm.

(2) Students with approved absence (approval from the Academic Counselor or the one chance of absence without formal supporting documentation) from a midterm exam or an assignment will have the weight of the missed exam or assignment reallocated to the final exam.

(3) **Attendance is required.** Missing 25% of scheduled classes is too frequent. A warning email will be issued at the 20% point and if absences continue the instructor will implement the King's attendance policy below:

“King’s policy states that “A student may be debarred from writing the final exam for failure to maintain satisfactory academic standing throughout the year. Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course.”*

* Implies that faculty must be tracking and have communicated attendance concerns to student.

(4) **Policy on Generative AI:** Within this course, generative AI tools such as ChatGPT are permitted exclusively for information-gathering and preliminary research purposes. If AI tools are used, students must acknowledge use and state how the tool was used. Unauthorized use of AI will be subject to academic discipline.

KING'S UNIVERSITY COLLEGE

GENERAL COURSE POLICIES

2025-2026

1. Academic Accommodations, Consideration for Absences

Academic Accommodation (Accessibility)

Accessibility Services works to ensure that academic programs are accessible to all students, and supports students who may have a condition related to, but not limited to, vision, hearing, mobility, different ways of learning, mental health, chronic illnesses, chronic pain, autism spectrum disorder, ADD/ADHD, and temporary conditions (beyond short-term academic consideration). Accessibility Services provides recommendations for accommodation based on medical documentation or psychological and cognitive assessment. The accommodation policy can be found here [Academic Accommodation for Students with Disabilities](#). Information on Accessibility Services at King's can be found [here](#).

Academic Consideration for Student Absence

If a student is unable to meet a course requirement due to substantial but temporary extenuating circumstances (medical or compassionate), they should follow the procedures below.

In some cases, where instructors have built flexibility into their assessments, this flexibility will already address consideration needs.

Requests for academic consideration should be directed to the Academic Advising Office of your faculty/college of registration. Requests must be made as soon as possible and no later than 48 hours after the missed assessment.

As a rule, documentation is required for academic consideration. For academic consideration requests on medical grounds, the Student Medical Certificate is available at https://www.kings.uwo.ca/kings/assets/File/currentStudents/courses_enrollment/exams_and_tests/SMC-Feb-2025.pdf.

Students are permitted one academic consideration request without supporting documentation per term per course.

Instructors may designate one assessment per half-course weight as requiring formal supporting documentation. Please refer to the course outline for each course.

For further information, please see:

https://uwo.ca/univsec/pdf/academic_policies/appeals/academic_consideration_Sep24.pdf

Absences from Final Examinations

If you miss the Final Exam, contact the Academic Advising Office of your faculty/college of registration as soon as you are able to do so. They will assess your eligibility to write the Special Examination (the name given by the University to a makeup Final Exam).

You may also be eligible to write the Special Exam if you are in a “Multiple Exam Situation” (e.g., more than 2 exams in 23-hour period, or more than 3 exams in a 47-hour period).

If a student fails to write a scheduled Special Examination, the date of the next Special Examination (if granted) normally will be the scheduled date for the final exam the next time this course is offered. The maximum course load for that term will be reduced by the credit of the course(s) for which the final examination has been deferred. See the Academic Calendar for details (under [Special Examinations](#)).

Religious Accommodation

Students should consult the University's list of recognized religious holidays, and should give notice in writing to the instructor and Academic Advising Office if a course requirement will be affected by a religious holiday/observance. Notice must be given as early as possible, and no later than two weeks prior to an examination, and one week prior to a midterm test date. It is the responsibility of such students to inform themselves concerning the work done in classes from which they are absent and to take appropriate action.

2. Support Services

Accessibility, Counselling and Student Development at King’s University College:

<https://www.kings.uwo.ca/current-students/student-services/>

Students experiencing emotional or mental health distress can access services at King’s University College: <http://www.kings.uwo.ca/current-students/campus-services/student-support-services/personal-counselling/>

Good2talk is a good online and phone 24/7 resource for students and is available in English, Mandarin, and French: <https://good2talk.ca>, 1-866-925-5454

MentalHealth@Western provides a complete list of options about how to obtain help:

https://www.uwo.ca/health/mental_wellbeing/

Academic Support Services at King’s University College:

<https://www.kings.uwo.ca/current-students/academic-resources/>

GBSV Support:

King’s is committed to reducing incidents of gender-based and sexual violence and providing compassionate support to anyone who has gone through these traumatic events. If you have experienced sexual or gender-based violence (either recently or in the past), you will find information about support services for survivors, including emergency contacts at:

<https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

You can reach someone supports at Kings by emailing Care@kings.uwo.ca or calling 519-930-4640 to reach a social worker who can offer help.

You can also reach Western’s Gender-Based Violence & Survivor Support Case Manager by [email](#) or by calling 519-661-3568.

Further supports can be found on this website: <https://www.kings.uwo.ca/about-kings/safe-campus/gender-and-sexual-violence/>

See also https://www.uwo.ca/health/student_support/survivor_support/get-help.html

University Students' Council offers many valuable support services for students, including the health insurance plan: <http://westernusc.ca/services/>

3. Statement on Use of Electronic Devices

Use of Electronic Devices: Unless explicitly stated otherwise, you are not allowed to have a cell phone, or any other electronic device, with you during tests or examinations. Unauthorized possession of such a device during a test or examination constitutes an academic offence.

Use of Laptops, Tablets, and Smartphones in the Classroom: King's University College at Western University acknowledges the integration of new technologies and learning methods into the curriculum. The use of electronic devices such as laptop computers, tablets, or smartphones can contribute to student engagement and effective learning. At the same time, King's recognizes that instructors and students share jointly the responsibility to establish and maintain a respectful classroom environment conducive to learning.

The use of electronic devices by students during lectures, seminars, labs, etc., shall be for matters related to the course at hand only. Students found to be using electronic devices for purposes not directly related to the class may be subject to sanctions under the Student Code of Conduct; see <https://www.kings.uwo.ca/current-students/student-affairs/code-of-student-conduct1/>

Inappropriate use of electronics (e.g., laptops, tablets, smartphones) during lectures, seminars, labs, etc., creates a significant disruption. As a consequence, instructors may choose to limit the use of electronic devices in these settings. In addition, in order to provide a safe classroom environment, students attending in-person class sessions are strongly advised to operate laptops with batteries rather than power cords.

4. Statement on Academic Offences

King's is committed to academic integrity. Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, is posted at

http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

It is expected that students will submit work that is truly their own, completed without external assistance (human or artificial) except as explicitly permitted by the course instructor. Check with your instructor on what tools, including generative AI (ChatGPT, translation tools, grammar-checking tools) are permitted in the course. Because a tool is permitted in one course, that does not mean it is permitted in other courses.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system; see <https://elearningtoolkit.uwo.ca/tools/Originality Reports - TurnItIn.html>.

Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

5. Copyright of Course Material

Lectures and course materials, including PowerPoint presentations, tests, outlines, and similar materials are protected by copyright. Faculty members are the exclusive owner of copyright in those materials they create. Students may take notes and make copies for their own use. Students may not allow others to reproduce or distribute lecture notes and course materials publicly (whether or not a fee is charged) without the express written consent of a faculty member. Unauthorized sharing of class content is subject to academic discipline.

Similarly, students own copyright in their own original papers and exam essays. If a faculty member wishes to post a student's answers or papers on the course website, they should ask for the student's written permission.

6. Use of Recordings

Participants in this course are not permitted to record the sessions, except where recording is an approved accommodation and/or the participant has the prior written permission of the instructor. Unauthorized recording and/or sharing of class content is subject to academic discipline.

7. Policy on Attendance

Any student who, in the opinion of the instructor, is absent too frequently from class or laboratory periods in any course, will be reported to the Dean of the Faculty offering the course, after due warning has been given. On the recommendation of the department concerned, and with the permission of the Dean of that Faculty, the student will be debarred from taking the regular examination in the course.