## Course Competency

### Competency 1: The student will demonstrate understanding of the term structure of interest rates by:

1. Analyzing the major causes of the shape of the yield curve.
2. Using the yield curve to calculate expected future interest rates.

### Competency 2: The student will demonstrate understanding of the role of the financial sector of the economy by:

1. Assessing the importance of intermediation in the economy.
2. Comparing the problems of adverse selection and moral hazard and how they affect the financial system.

### Competency 3: The student will demonstrate an understanding of market efficiency by:

1. Analyzing and criticizing the three levels of market efficiency.
2. Comparing and contrasting each level of market efficiency.

## Learning Outcomes

- Numbers / Data
- Communication
- Communication
- Critical thinking
- Critical thinking
**Competency 4:** The student will demonstrate understanding of the major financial markets by:

- Communication
- Critical thinking

1. Assessing the different roles of money markets and capital markets.
2. Evaluating the characteristics of the major types of securities in the debt and equity markets.
3. Assessing the advantages and disadvantages of the major types of mortgages.

**Course Competency 5:** The student will demonstrate an understanding of the different types of financial institutions by:

- Communication
- Social Responsibility
- Ethical Issues

1. Explaining the different regulatory structures for each type of financial institution.
2. Evaluating how each financial institution deals with asymmetric information.

**Course Competency 6:** The student will demonstrate an understanding of the insurance industry by:

- Communication
- Social Responsibility

1. Comparing and contrasting the two major components of the insurance industry.
2. Analyzing an individual’s need for insurance.

**Course Competency 7:** The student will demonstrate understanding of mutual funds by:

- Communication
- Critical thinking
- Information Literacy

1. Identifying and describing the different types of mutual funds.
2. Assessing the advantages of different types of mutual funds.

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