



# *The Hebrew University of Jerusalem*

## *Syllabus*

### *Capital Markets and Institutional Investors - 55798*

*Last update 11-09-2020*

*HU Credits: 3*

*Degree/Cycle: 2nd degree (Master)*

*Responsible Department: Business Administration*

*Academic year: 0*

*Semester: 2nd Semester*

*Teaching Languages: Hebrew*

*Campus: Mt. Scopus*

*Course/Module Coordinator: Pini Shachar*

*Coordinator Email: [shachp@gmail.com](mailto:shachp@gmail.com)*

*Coordinator Office Hours: By appointment*

*Teaching Staff:*

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Mr. Pini Shachar

Course/Module description:

*Israeli financial institutions manage 1.7 billions of NIS in pension savings products of Israeli citizens and other insurance products.*

*In the last two decades we have witnessed several reforms in the capital market, various insurance products, in the provident funds and pension funds. These changes have made the existing pension savings products in Israel higher quality and significantly increased competition, innovation and return on saving public.*

*Reforms in the fields of general insurance (car, property, etc.), health insurance and health care made the insurance market more competitive and less concentrated.*

*Some of these changes have made the Israeli capital market more sophisticated, more diverse, and the financial institutions in Israel are a significant factor in this improvement.*

*The first part of the course deals with pensions, the importance of saving for retirement, and then - different insurance and pension products. In this part of the course we will learn more about the reforms in the last two decades, the characteristics of different products, and the students will familiar themselves with the basic pension savings products on the market, the difference between them, and the importance of retirement savings.*

*The second part will discuss the interaction of institutions with capital markets, financial institutions and how these institutions invest the funds they manage. This section will focus on explaining how these entities work in the capital market, what are the investment rules that apply to them, and what are their obligations towards their customers.*

*In addition, in this part of the course we will discuss different distribution channels (insurance agents and pension advisers) working in the insurance and pension sectors. we will discuss their obligations and the difference between them. All the taught material will be escorted by real life examples, , bills, reform, protest, etc.*

Course/Module aims:

*Students get to know the world of insurance and pensions, while being provided with basic concepts and understanding in the pensions and insurance sectors.*

*The course aims to present to students with various pension and insurance products, as well as introduce students to the capital market and its relationship with the world of insurance and pensions.*

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Learning outcomes - On successful completion of this module, students should be able to:

*Distinguish between the various insurance products - for professional and personal use. Learn more about the world of insurance and pensions, i.e., who are the players (financial institutions, distributors), what are the way of conduct, and what are their obligations.*

*Understand what is happening at present in these areas as well as learning to read financial newspapers which write about the insurance and pension sectors.*

*Learn how to read professional insurance and pension reports - by reading, analyzing, and learning to present a related issue to the group.*

Attendance requirements(%):

*Not required*

*Teaching arrangement and method of instruction: lectures*

Course/Module Content:

*Introduction to Insurance*

*Introduction to pension savings*

*Calculation of pensions*

*Life Insurance*

*Provident Funds and Education Funds*

*Pension - new funds, older funds;*

*General insurance (car, apartment, etc.)*

*Health Insurance*

*LTC*

*Distribution channels (the Bachar reform - insurance agents and pension advisers.*

*Introduction to Capital Market*

*Capital markets and financial institutions - investment principles*

*The stock market crisis*

*Market reforms Bachar Reform, Hodak Committee*

Required Reading:

*There is no mandatory reading material beyond the presentations.*

*It is recommended that students read the financial press related to the insurance, pension and capital market.*

Additional Reading Material:

*It is recommended to follow the financial press on insurance and pensions*

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Grading Scheme:

Additional information:

*Exam material includes all material given in the classroom, even if it does not appear in the presentations.*

*The exam material will also include the material which will be circulated by the students in the course.*

*30% of the grade will be based on the presentation delivered by the group of students will do.*

*Students can get 10 points for continuous and active participation throughout the semester.*