Subject card

Subject name and code	Financial Market Rating Agencies , PG_00167383		
Field of study	Finance and Accounting, Information Science and Econometrics, Management, , Sport Management		
Date of commencement of studies	October 2023	Academic year of realisation of subject	2024/2025
Education level	undergraduate studies	Subject group	Optional subject group
Mode of study	full-time studies	Mode of delivery	at the university
Year of study	2	Language of instruction	Polish
Semester of study	4	ECTS credits	1.0
Learning profile	academic	Assessment form	
Conducting unit	Katedra Bankowości i Finansów -> Faculty of Management -> Rektor		
Name and surname of lecturer (lecturers)	Subject supervisor	dr Błażej Lepczyński	
	Teachers		

Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	15.0	0.0	0.0	0.0	0.0	15
	E-learning hours included: 0.0						

Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan	Participation in consultation hours	Self-study	SUM
	Number of study hours	15	0.0	0.0	15

Subject objectives	The aim of the lecture is to present the role of rating agencies in the financial market. Rating agencies assess the creditworthiness of countries, enterprises, banks and other financial institutions. During the lecture, students will learn in detail the criteria and principles of assessing the creditworthiness of enterprises and countries. The content of the lecture will expand knowledge in the field of business economics, the functioning of the debt market and the assessment of the financial condition of enterprises and banks. The lecture will also allow for understanding the criticism of the functioning of rating agencies, which has intensified after the outbreak of the global financial crisis. During the lecture, students will learn what conflicts of interest occur in the activities of rating agencies and what significance limited competition between agencies has for the quality of rating assessments.

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRL3_K03] Communication: - is able to present his view, issue in a way that others can understand - boldly (but thoughtfully) expresses his opinion, is not afraid to ask questions - is able to culturally participate in discussions - is able to give constructive criticism.	The student can present their viewpoint or a topic in a manner that is clear and understandable to others. They express their opinions confidently yet thoughtfully and are not afraid to ask questions. They are able to participate in discussions in a respectful and polite manner. They know how to provide constructive criticism effectively.	[SK1] oral statement/conversation/discussion [SK5] implementation of a problem task
	[IiEL3_K01] The student understands the need to constantly supplement and deepen acquired knowledge; is open to new ideas and teaching methods.	The student understands the need for continuous updating and deepening of acquired knowledge, particularly in the context of the dynamically changing financial market and the role of credit rating agencies; they are open to new ideas and teaching methods related to financial risk analysis and assessment.	[SK1] oral statement/conversation/discussion [SK4] test/exam - oral or written [SK5] implementation of a problem task
	[IiEL3_U01] The student can comprehensibly, orally and in writing, present and justify advanced economic theories and apply them to explain the functioning of the national economy and its elements. Understands and can explain the content of communications of economic institutions, articles published in the economic press and scientific journals.	The student is able to clearly present and justify advanced economic theories, both orally and in writing, and apply them to explain the functioning of financial markets and the role of credit rating agencies. They understand and can interpret the content of communications from financial institutions, reports from credit rating agencies, and articles published in economic press and academic journals.	[SU1] oral statement/conversation/discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
	[FiRL3_W02] The student has advanced knowledge of various types of economic structures and institutions and changes in them, in particular: banking system, insurance system, taxation system, financial markets, organization of the public finance system and the private sector. The student knows the interrelationships between these structures and social institutions on a national and international scale.	The student has advanced knowledge of various types of economic structures and institutions and the changes occurring within them, particularly regarding the operations of credit rating agencies. They understand the interrelations between these structures and social institutions on both national and international levels.	[SW4] test/exam - oral or written [SW1] oral statement/conversation/discussion [SW5] implementation of a problem task
	[ZISZL3_W01] Student has basic knowledge in the discipline of management and quality science and understands its relationship with other social sciences.	The student has basic knowledge in the discipline of management and quality sciences, particularly in the context of the operations of credit rating agencies in the financial market, and understands its relationships with other social sciences, such as economics and finance.	[SW4] test/exam - oral or written [SW1] oral statement/conversation/discussion [SW5] implementation of a problem task
	[ZISZL3_U01] Student is able to correctly interpret socio-economic phenomena, current events in economic policy, economy, especially in the field of health protection in the social and economic dimension, as well as independently formulate his/her own opinions in this regard and propose adequate solutions in the event of changes taking place in these areas.	The student is able to correctly interpret socio-economic phenomena and current events in economic policy and economics, particularly those related to the operations of credit rating agencies in the financial market. They can independently formulate opinions in this area and propose appropriate solutions in response to changes in the market and regulatory environment.	[SU1] oral statement/conversation/discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
	[IiEL3_W01] The student has advanced knowledge of the place of social sciences in the system of sciences, their nature, methodology and connections with other sciences.	The student has advanced knowledge of the place of social sciences within the system of sciences and their methodologies. This enables them to analyze the activities of credit rating agencies in the financial market, taking into account their connections with other disciplines such as economics, law, and management.	[SW4] test/exam - oral or written [SW1] oral statement/conversation/discussion [SW5] implementation of a problem task

	Course outcome	Subject outcome	Method of verification
	[FiRL3_U03] The student can properly analyse the causes, course and effects of specific processes and phenomena in finance and accounting, using advanced theories and relevant social sciences methods. Can identify stakeholders of processes and phenomena from the disciplines of management and quality sciences and economics and finance.	The student is able to properly analyze the causes, course, and effects of processes and phenomena related to the functioning of credit rating agencies in the financial market, using advanced theories and appropriate social science methods. The student is also capable of identifying key stakeholders of these processes and phenomena, taking into account perspectives from the disciplines of management and quality sciences as well as economics and finance.	[SU1] oral statement/conversation/ discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
	[ZSSML3_K01] The student is aware of the depreciation of knowledge over time and understands the need for lifelong learning and deepening of knowledge in both academic and non-academic modes.	The student is aware of the depreciation of knowledge in the field of functioning of rating agencies, understands the need for continuous learning and updating of knowledge in this field both in academic and non-academic mode, by following regulatory changes, new risk assessment methods and current market analyses.	[SK1] oral statement/conversation/ discussion [SK4] test/exam - oral or written [SK5] implementation of a problem task
	[ZARZL3_K01] The student is aware of the depreciation of knowledge over time and understands the need for lifelong learning and deepening of knowledge in both academic and non-academic modes.	The student is aware of the depreciation of knowledge over time and understands the need for lifelong learning and deepening knowledge, both in academic and non-academic settings, particularly in the field of credit rating agencies and their role in the financial market.	[SK1] oral statement/conversation/ discussion [SK4] test/exam - oral or written [SK5] implementation of a problem task
	[ZARZL3_U01] The student is able to correctly interpret socio-economic phenomena, current events in economic policy, economics, as well as to independently formulate his own opinions in this regard and to propose adequate solutions in case of changes occurring in these areas.	The student is able to correctly interpret socio-economic phenomena and current events in economic policy and economics, including those related to the functioning of credit rating agencies and their impact on financial markets. They can independently formulate opinions in these areas and propose appropriate solutions in response to changes in the socio-economic environment.	[SU1] oral statement/conversation/ discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task
	[ZISZL3_K01] Student is able to critically analyse the received content, with particular emphasis on social and economic sciences.	The student is able to critically analyze received content, with particular emphasis on topics related to social and economic sciences, in the context of the functioning of credit rating agencies and their impact on financial markets.	[SK1] oral statement/conversation/ discussion [SK4] test/exam - oral or written [SK5] implementation of a problem task
	[ZSSML3_W01] The student as advanced knowledge in the discipline of management and quality sciences and understands its interrelationship with other social sciences.	The student has advanced knowledge in the discipline of management and quality sciences, particularly in relation to the operations of credit rating agencies in the financial market, and understands its connections with other social sciences, such as economics, law, and finance.	[SW4] test/exam - oral or written [SW1] oral statement/ conversation/discussion [SW5] implementation of a problem task
	[ZARZL3_W01] The student has advanced knowledge in the social sciences, with particular emphasis on the discipline of management and quality sciences, and understands their interrelationships with other social sciences.	The student has advanced knowledge in social sciences, with particular emphasis on the discipline of management and quality sciences, in the context of the operations of credit rating agencies in the financial market, and understands their relationship with other social sciences, such as economics, finance, and law.	[SW4] test/exam - oral or written [SW1] oral statement/ conversation/discussion [SW5] implementation of a problem task

	<table><tr><th>Course outcome</th><th>Subject outcome</th><th>Method of verification</th></tr><tr><td>[ZSSML3_U01] The student is able to correctly interpret socio-economic phenomena, current events in economic policy, economics, as well as independently formulate his own opinions in this area and propose adequate solutions for changes occurring in these areas.</td><td>The student is able to correctly interpret socio-economic phenomena and current events in economic policy and economics, including those related to the functioning of credit rating agencies and their impact on financial markets. They can independently formulate opinions in these areas and propose appropriate solutions in response to changes in the socio-economic environment.</td><td>[SU1] oral statement/conversation/ discussion [SU4] test/exam - oral or written [SU5] implementation of a problem task</td></tr></table>
Subject contents	1. The role of rating agencies in the bond market, the concept and functions of rating assessment 2. The process of assigning a rating, rating scales 3. Conflicts of interest, limited competition between rating agencies 4. EU regulations on rating agencies (registration process, limiting conflicts of interest) 5. Sovereign rating 6. Financial institution rating 7. Credit rating and its use in the bond issue process
Prerequisites and co-requisites	No prerequisites or additional requirements.
Assessment methods and criteria	<table><tr><th>Subject passing criteria</th><th>Passing threshold</th><th>Percentage of the final grade</th></tr><tr><td>Multiple choice test</td><td>51.0%</td><td>100.0%</td></tr></table>
Recommended reading	<table><tr><td>Basic literature</td><td>1. P.Niedziółka, P. Kulpaka, Z. Korzeb, Agencje ratingowe oraz ratingi kredytowe, CeDeWu, Warszawa 2021 2. I. Pruchnicka-Grabias, A. Szelągowska, Agencje ratingowe a rynki akcji i obligacji, CeDeWu, Warszawa 2019</td></tr><tr><td>Supplementary literature</td><td>D. Dziawgo, Credit rating na międzynarodowym rynku finansowym, PWE, Warszawa 2010</td></tr><tr><td>eResources addresses</td><td>Adresy na platformie eNauczanie:</td></tr></table>

Example issues/ example questions/ tasks being completed	1. What are the conflicts of interest in the activities of rating agencies? 2. What is the relationship between rating and cost of capital? 3. What are the evaluation criteria used by rating agencies?
Work placement	Not applicable