**LESSON PLAN/ NOTE FOR WEEK 7 ENDING 16/ 06/2023.**

**Term**: 3rd

**Week**: 7

**Date**: 13/06/2023

**Class**: SS 2

**Subject**: Economics

**Topic**: Types of financial institution and functions

**Sub-Topic:** Meaning, functions and types of capital market.

**Period**: 6th

**Time**: 11: 50-12:30

**Duration**: 40 Minutes

**Number in class:** 4 students

**Average Age:** 14 Years

**Sex**: Mixed

**Specific objectives**: By the end of the lesson, the students should be able to:

(1) Define capital market

(11) State the functions of capital market.

(111) Differentiate between primary, secondary stock exchange market.

**Rationale:** For the students to be able to define and state the functions of capital market as a medium and long term financial institution.

**Previous knowledge:** The students have been seeing people borrowing and lending money from the capital market for investment purposes.

**Instructional material:** A chart showing people lending and borrowing money for investment.

**Reference material:** Cole Esan (2020) Essential Economics for senior secondary schools.

**LESSON DEVELOPMENT**

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| **Stages/Steps** | **Teacher's Activities** | **Students' Activities** | **Learning points** |
| **Introduction** | Review the previous lesson | Participate actively in the class discussion | To arouse the students interest to learn. |
| **Step 1** | Defines capital market as: capital market is a market for medium and long term loans. | Listen carefully to the teacher | For better understanding of the lesson. |
| **Step 11** | Asks the students to state the functions of capital market | State the functions of capital market as: (1) promotion of rapid capital (2) provision of sufficient liquidity for any investor or group of investors. | To enable the students to reason logically. |
| **Step 111** | Guides the students to differentiate between primary, secondary and stock exchange market. | Respond to the class activity. | To encourage critical thinking. |
| **Board summary** | Summarizes the lesson as:  **Types of financial institution and functions.**  **Capital Market**  Capital market is a market for medium term and long term loans. The capital market serve the needs of industry and the commercial sector. It comprises all the institutions which are concerned with either the supply of or demand for long term capital. The instruments are stocks, shares, debentures, bond. The institutions are: (a) issuing houses (b) insurance companies (c) development bank (d) building society (e) national provident fund (NPF) (f) stock exchange.  **Functions of capital market**  (1) promotion of rapid capital  (2) provision of sufficient liquidity for any investor or group of investors.  (3) The creation of a bill- in operational and allocational efficiency within the financial system to ensure that resources are optimally utilized at relatively little costs.  (4) The mobilization of savings from numerous economic units for growth and development.  (5) The encouragement of more efficient allocation of new investment through the pricing.  (6) The provision of an alternative sources of funds other than taxation for government.  (7) The broadening of the ownership base of assets and the creation of a healthy private sector.  **Primary Market**  Primary Market is the market for new long-term capital. The primary Market is the market where the securities are sold for the first time. It is therefore called new issue market.  **Secondary market**  Secondary market is the financial market for trading of securities that have already been issued in an initial private or public offering.  **Stock Exchange**  Stock exchange is a highly organized market which provides facilities for the buying and selling of securities such as shares , stock, debentures and government bonds. | Copy and submit the note book for marking. | For future reference. |
| **Evaluation** | Evaluates the students as:  (1) Define capital market  (2) State 5 functions of capital market.  (3) Differentiate between primary, secondary and stock exchange. | Respond to the questions | Ascertaining the attainment of the stated objectives |
| **Conclusion** | Rounds up the lesson by marking and correcting students work. | Check and do their correction | Consolidation of the lesson. |
| **Assignment** | Gives home work as:  (1) Mention and explain 4 advantages of capital market. | Respond to the questions by doing the home work at home. | To ensure continuity of learning. |



17/8/2023

Principal Head Instuctor