



Money and Banking

Course Number:	ECO 301	Term:	Summer, 2021
Instructor:	TBA	Email:	
Contact Hours:	48	Meeting Times:	TBA
Credits:	3.0		

Course Description:

This course is an introduction to the concepts of money and banking. We will begin with a study of key finance concepts, studying asset markets of bonds and stocks and the functioning of the overall financial system. We will study risk and term structures of interest rates, and the efficient market hypothesis. We will also examine how market inefficiencies, arising from asymmetric information or inappropriate policy, can arise and contribute to macroeconomic and financial instability. We will also study the banking system, how money is created, and the function of central banks. The course will also focus on international aspects of the financial system.

Learning Objectives:

Upon successful completion of this course, students will be prepared to:

1. Describe the role of money and credit in a modern economy
2. Analyze financial and stock markets
3. Explain the role and function of the central bank systems
4. Explain how interest rates are determined
5. Analyze Federal Reserve economic and monetary policy
6. Analyze financial crises

Required Textbook and Course Materials:

Text: The Economics of Money, Banking, and Financial Markets
Author: Mishkin, Frederic S.
Edition: 11th or later
ISBN: 978-0-13-383679-0

Language of Instruction:

This course is taught entirely in English, including lectures, homework, assignments and examinations. Teaching assistants will be fluent in both English and Mandarin.

Course Prerequisites:

ECO 202 Introduction to Macroeconomics or equivalent

University Policies

Class Format

In Person. Course activities, discussions, assignments and resources will be made available at the start of and during the course.

Attendance, Participation and Deliverables

Courses are very intensive and in order to be successful, students need to attend every class. Attendance is required for all lectures and class activities. Class participation is expected from every student and form a significant portion of the final course grade.

All course deliverables (homework assignments and tests) are due on time as assigned. This course includes *no* make-ups, postponements or additional assignments, except for verified medical emergencies. If you miss an exam/assignment due to a non-sanctioned absence, your score on that exam/assignment will be zero.

Academic Dishonesty

All cases of academic dishonesty will be diligently pursued. Academic dishonesty includes representing the work of another as one's own work or cheating by any means. Academic dishonesty also includes aiding, abetting, concealing or attempting such activity. The penalty is automatic failure of the course and possible suspension from the university.

Grading Scale

Grading Scale (%)			
97 - 100	A+	77 - 79	C+
93 - 96	A	73 - 76	C
90 - 92	A-	70 - 72	C-
87 - 89	B+	67 - 69	D+
83 - 86	B	63 - 66	D
80 - 82	B-	60 - 62	D-
		0 - 59	F

Professor- and Course-Specific Policies (*Tentative*)

Homework

Assignments will be listed at the beginning of the course. The purpose is to prepare you for the exams. The homework is a very important part of the course. No matter how well you think you understand the material presented in class, you won't really learn it until you do the problems.

Exams

No make-ups will be given after the exam. The use of the textbook or any other written reference is not allowed during the exams. The purpose of the exams is to test your understanding of key concepts from the course lectures and materials.

Grade Components:

1. 20% - **Assignments**
2. 10% - **Quizzes (3 Quizzes)**
3. 30% - **Midterm Exam**
4. 40% - **Final Exam**

Course Schedule (*Tentative*)

Module	Topics
1	Overview and Money Interest Rates Behavior of Interest Rates
2	Term Structure of Interest Rates and Risk Financial Structure Stock Market and Efficient Markets Banking Industry
3	Financial Crises Financial Regulation Structure of Central Banks and the Federal Reserve
4	Money and Monetary Policy Policy: Fed's Tools Advanced Policy International Finance and Exchange Rates
5	Demand of Money and Aggregate Demand Money and Inflation