

Course Title: ECO 473 Money and Banking

Term: Fall 2022

Instructor: TBA

Course Credit: 3

Mode of Instruction: Online

Course Description:

This course examines monetary policy in a closed economy, considering a number of models that allow real effects of monetary policy, ranging from new-classical to Keynesian. Specific models will be introduced and solved, allowing students to see exactly how these models work and what differentiates one from another. Topics include optimum quantity of money, optimal monetary, fiscal policy, uncertain and sequential trade models, central bank emergency lending in crises and so on.

Course Prerequisites:

Microeconomics.

Learning Outcomes:

By the end of the course, the student should be able to:

- A. Comprehend the theories and concepts of the monetary theory;
- B. Understand several key models and concepts of monetary economics and banking theory;
- C. Appreciate the potential importance of monetary phenomenon in the economy;
- D. Survey the issues in the current monetary policy implementation faced by central banks;
- E. Analyze problems involving the determination of interest and exchange rates in the economy.

Course Material:

Frederic S. Mishkin, *The Economics of Money, Banking, and Financial Markets*, 11th Edition, Pearson Education, 2014.

Evaluation:

- 4 Assignments [4*10%]
- Mid-term Exam [25%]
- Final Exam [35%]

Description of the Evaluation tasks:

Assignment/ Essay/...: During the term, students will be required to finish several evaluation tasks within due date. All the tasks are linked with specific course topics/outcomes and will adequately assess students' competence and learning outcomes. Students are encouraged to meet with instructor about these tasks at any point.

Mid-term/ Final Exams/ Quiz/...: There may be periodic quizzes given at the beginning of lecture sessions; the feedback from these quizzes will monitor the progress of the learners and help to set learning priorities. There will be mid-term exam/ final exam for the course. They are the basic criteria for the evaluation of students' learning outcomes and final grade.

Grading Policy:

Students are supposed to finish each online lecture. Prior to each class, students should finish the required readings. During the class time, students are encouraged to make use of all relevant online course resources and communicate with the instructor. Students' grades are accumulated based on the cumulative evaluations.

Students' letter grade will be assigned according to the following scale:

A+ 90-100	A 85-89	A- 80-84
B+ 77-79	B 73-76	B- 70-72
C+ 67-69	C 63-66	C- 60-62

D+ 57-59	D 53-56	D- 50-52
F < 50		

Academic Integrity:

Students must strictly adhere to the university's academic integrity rule; and all essays, exams and any other form of academic assignments must adhere to these rules. Any form of plagiarism, cheating, or misappropriation of materials will be considered a violation of academic integrity and will be punishable by the university.

Withdrawal from the Course(s):

Students will be able to apply for a transfer or withdrawal within 3 days of the starting date of the course. If a withdrawal is applied for within 3 working days, the tuition fee will be fully refunded. After 3 days, the tuition fee will not be refunded. If a withdrawal is applied for in the first two weeks, it will be recorded as W (Withdraw) on the course transcript. After this initial two-week period, the class will be recorded as F (Fail).

Tentative Schedule:

Week 1	
1	Introduction Why Study Money, Banking, and Financial Markets?
2	An Overview of the Financial System; What Is Money?
3	Financial Markets
4	The Meaning of Interest Rates
5	The Behavior of Interest Rates Assignment #1
Week 2	
6	The Risk and Term Structure of Interest Rates
7	The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis
8	Financial Institutions An Economic Analysis of Financial Structure
9	Banking and the Management of Financial Institutions
10	Economic Analysis of Financial Regulation Assignment #2
Week 3	

11	Banking Industry: Structure and Competition Financial Crises
12	Central Banking and the Conduct of Monetary Policy
13	Midterm Test
14	Central Banks and the Federal Reserve System The Money Supply Process
15	Tools of Monetary Policy The Conduct of Monetary Policy: Strategy and Tactics
Week 4	
16	International Finance and Monetary Policy The Foreign Exchange Market Assignment #3
17	The International Financial System; Monetary Theory
18	Quantity Theory, Inflation, and the Demand for Money The IS Curve
19	The Monetary Policy and Aggregate Demand Curves Aggregate Demand and Supply Analysis
20	Monetary Policy Theory The Role of Expectations in Monetary Policy
Week 5	
21	Transmission Mechanisms of Monetary Policy Assignment #4
22	Financial Policy and Factors Financial Crises in Emerging Market Economics
23	The ISLM Model; Non-bank Finance; Financial Derivatives
24	Conflicts of Interest in the Financial Services Industry
25	Final Exam