

COURSE SYLLABUS

COURSE TITLE:	Money and Banking	COURSE CODE:	FINC324
PREREQUISITES:	Macroeconomics and business finance	SEMESTER:	FALL 2020
INSTRUCTOR:	Rick Thompson	CREDITS:	3
EMAIL:	richard.thompson@ exterieur.groupe-igs.fr	SCHEDULE:	Wednesday 12h30-15h30

COURSE DESCRIPTION:

The course provides insight into the role financial markets play in the business environment that students will soon be facing. It explores the application of economic and financial principles to everyday events often faced by actors in financial markets such as bankers, fund managers, and financial directors.

COURSE OBJECTIVES:

This course is an introduction to the U.S. monetary and banking system. Course topics include financial instruments and their purposes; aspects of portfolio management and people's demand for financial assets; interest rates and what determines them; the operations of banks and other financial institutions; the role of the Federal Reserve as the central bank in the U.S. banking system; the history of central banking in the U.S.; and international dimensions of monetary policy and financial markets.

EXPECTED LEARNING OUTCOMES:

Upon completion of this course students should be able to:

- Explain the different elements of financial markets and how they are linked together.
- Understand interest rate movements and their impact on bond and stock markets
- Analyze bank operations and risk
- Appreciate the changing role of commercial and central banks in the world economy and the trends in banking industry including the regulatory environment.

MANDATORY TEXTBOOK:

Frederic S. Mishkin, *The Economics of Money, Banking and Financial Markets*, 12th Edition, 2019, Pearson Education. ISBN-13: 9781292268965



Course material and deliverables will be via the Canvas portal

EVALUATIONS:

The final grade will be determined as follows:

Attendance/Participation	20%
Mid-term	40%
Final Exam	40%

Mid-term and Final exams will be closed book and closed notes

Only non-programmable calculators will be accepted. Cell phones as calculators are not allowed

Presence in class is mandatory. More than 2 absences will lead to a failing grade.

GRADING CRITERIA:

Grades will be based on the standard ABS Grading Rubrics available on beecome

COURSE SCHEDULE:

Date		Reading Homework	Session Content
16 Sept	Session 1	Mishkin 1, 2	Why Study Money, Banking and Financial Markets? An Overview of the Financial System Structure, Actors, Instruments, Asymmetric Markets
23 Sept	Session 2	Mishkin 3	What is money? Video: The Ascent of Money: Origins of Banking, Bond Markets, Stock Markets
30 Sept	Session 3	Mishkin 4, 5	The Meaning of Interest Rates The Behavior of Interest Rates: Bond Supply and Demand
7 Oct	Session 4	Mishkin 6	The Risk and Term Structure of Interest Rates: Bond Risk, Yield Curves
14 Oct	Session 5	Mishkin 7	Articles Chapters 2-6 The Stock Market, the Theory of Rational Expectations,
21 Oct	Session 6	Mishkin 7	The Efficient Market Hypothesis Review for mid-term
28 Oct	Session 7	Mishkin 8	Mid-term Exam An Economic Analysis of Financial Structure
04 Nov	Session 8 Online	Mishkin 9	Banking and the Mgmt of Financial Institutions: Balance Sheet, Income Statements, Capital and Reserve Ratios
18 Nov	Session 9 Online	Mishkin 10	Economic Analysis of Banking Regulation: Deposit Insurance, Regulators, Risk Management Systems

2 Dec	Session 10	Mishkin 11	Banking Industry: Structure and Competition: Market Shares, Global Banking, Trends
9 Dec	Session 11	Mishkin 14	Articles: Chapters 8-11 and 14 Central Banks: A Global Perspective
16 Dec	Session 12	Prepare Final Exam	Final Exam

The schedule of Final Exams will be confirmed and published by 31 October 2020. The last day of the semester is 18 December 2020. DO NOT PLAN ANY TRAVEL BEFORE THIS DATE AS THERE ARE NO MAKE-UP EXAMS.