



Department of Economics Course Outline

Term: Summer 2005

Course: Economics 341
[Money and Banking]

Section: 60

Time: TR 9:00 ? 11:50

Place: SB 144
(subject to change)

Instructor: P. R. Tracey

Office: SS 1046

Telephone: 220-2693

Office Hours: TR 13:00-13:40
(These hours are subject to change)

E-Mail: tracey@ucalgary.ca

Textbook(s):

Mishkin, Frederic S., Stanley Eakins, and Apostolos Serletis, *Financial Markets and Institutions*. Latest Canadian edition, Pearson. **[Required Text]**

Book(s) on Reserve:

None

Blackboard:

Students who are registered in this course can log on at <http://blackboard.ucalgary.ca/webapps/login>

Please note that Blackboard features a class email list that I will use. It is your responsibility to make sure that Blackboard uses the email of your choice. The default is your University of Calgary email address.

Course Outline:

This is an introductory course in financial economics. It emphasizes the determination of asset prices, changes in the money supply, and economic responses towards risk. (Some topics may be added or deleted depending on time constraints.)

Money, Banking and Financial Markets	Chapters 1 ? 2
Asset Pricing and Interest Rate Determination	Chapters 3, 4, and 5
The Foreign Exchange Market	Chapter 12
Banking, Central Banking, and Monetary Control	Chapters 15, 6, and 7
Managing Interest Rate Risk and Financial Derivatives	Chapter 22 ? 23

Grade Determination and Final Examination Details:

Midterm Test #1	July 14, 2005	25%	40 minutes
Midterm Test #2	July 26, 2005	25%	40 minutes
Final Examination	Scheduled by Registrar	<u>50%</u>	2 hours
		100%	

Tests and final exams are marked on a numerical (percentage) basis, and then converted to letter grades. The course grade is then calculated using the weights indicated below. As a guide to determining standing, these letter grade equivalences will generally apply:

A+ 97 ? 100	B+ 84 ? 88	C+ 73 ? 75	D+ 57 - 61
A 92 ? 96	B 79 ? 83	C 67 ? 72	D 50 - 56
A- 89 ? 91	B- 76 ? 78	C- 62 ? 66	F 0 - 49

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal, the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

Students must pass the Final Exam to pass the course as a whole.

Calculators WILL NOT be allowed during the writing of tests or final examinations.

There will be a Registrar scheduled final examination, lasting 2 hours. It will be held in a classroom.

Tests and exams WILL involve multiple choice questions.

Students' Union Vice-President Academic:

Laura Schultz

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Students' Union Faculty Representative (Social Sciences)

Carina McDonald

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Notes:

● Students seeking reappraisal of a piece of graded term work (midterm test) should discuss their work with the Instructor within one week of the work being returned to the class.

● Make-up midterm tests and deferred midterm tests will not be given. In cases of documented illness, documented family emergency, or documented religious observance, extra weight will be given to the final examination.

● Midterm tests and the final examination will not be given before the indicated dates.

● Students are required to read the assigned chapters.

● Students should be aware of the importance of appropriate sequencing of their courses to meet all the graduation requirements, especially in the Honours program. Honours students should complete MATH 249 or 251, and MATH 211 no later than the second year. This is very important because these courses are prerequisites for ECON 387/389, which in turn are prerequisites for ECON 557/559. Also, STAT 213 should be completed no later than the third year because it is a prerequisite for ECON 315, which in turn is a prerequisite for ECON 419. We suggest that you consult the "Department of Economics Explicit Syllabus", which is available at <http://econ.ucalgary.ca/programs/undergrad/ES.htm>, or the University of Calgary Calendar. If you want help in designing your program, you should speak with a Student Advisor in the Department of Economics.

Safewalk / Campus Security: 220-5333
