



## Department of Economics Course Outline

**Term:** Spring 2004

**Course:** Economics 341  
[Money and Banking]

**Section:** 20

**Time:** MW 09:00-11:50

**Place:** ST 147  
(subject to change)

**Instructor:** P. R. Tracey

**Office:** SS 1046

**Telephone:** 220-2693

**Office Hours:** TW 13:00-13:45  
These hours are subject to change

**E-Mail:** [tracey@ucalgary.ca](mailto:tracey@ucalgary.ca)

### **Textbook(s):**

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

### **Book(s) on Reserve:**

None

### **Blackboard:**

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

### **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

[1] Chapters 1 ? 2

## Asset Pricing and Interest Rate Determination

[1] Chapters 3 ? 5

## The Foreign Exchange Market

[1] Chapter 12

## Banking, Central Banking, and Monetary Control

[1] Chapters 15, 6 ? 7

## Managing Interest Rate Risk and Financial Derivatives

[1] Chapter 22 ? 23

### **Grade Determination and Final Examination Details:**

Midterm Test #1	May 26, 2004	25%
Midterm Test #2	June 9, 2004	25%
Final Examination	Scheduled by Registrar	50%

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 above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	97 ? 100	B	78 ? 82	C-	62 ? 66
A	91 ? 96	B-	75 ? 77	D+	57 ? 61
A-	88 ? 90	C+	72 ? 74	D	50 ? 56
B+	83 ? 87	C	67 ? 71	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:

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Carina McDonald

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Society of Undergraduates in Economics (S.U.E.)

E-mail [socuecon@ucalgary.ca](mailto:socuecon@ucalgary.ca)

### Notes:

- Students seeking reappraisal of a piece of graded term work (assignment, mid-term test) should discuss their work with the Instructor within one week of the work being returned to the class.
- Make-up mid-term tests/assignments and deferred mid-term tests/assignments 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.
- Mid-term tests and the final examination will not be given before the indicated dates.
- 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 Calendar, and the brochure "Undergraduate Programs in Economics." If you still need help you should speak with a Student Advisor in the Economics Department.

Safewalk / Campus Security: 220-5333

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PRT:dm

2004-03-24