

Professor: Sujana Kabiraj
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Office hours: Monday 11-1:45, Wednesday 11-1:45, Thursday 3:30-5, or by appointment.

Class Meetings: MW 2:00PM - 3:15PM at CCC 231

Regular attendance is strongly and positively correlated with final course grades and thus highly recommended. You are responsible for all material covered in class so if you are absent, make sure to copy the notes from someone. If you have any questions after looking over the notes and doing the required readings, come see me during my office hours.

Course Description: This course will introduce you to the basic ideas of financial economics, with a focus on the interest rate, bond and stock market along with the aggregate macroeconomics. We will discuss behavior of interest rate, stock pricing, rational expectation, foreign exchange market, aggregate demand and supply, Federal reserve system, money supply, as well as other topics. We will also analyze the causes and effects of the great recession of 2008-09. After the course you should be able to apply the basic concepts of financial market to understand the macroeconomic issues we read about every day in the newspaper.

School of Business and Economics Mission and Course Outcomes: The UWSP School of Business & Economics educates and inspires students and prepares graduates for success in positions of leadership and responsibility. We serve the students, businesses, economy and people of the greater Central Wisconsin region. Our students achieve an understanding of regional opportunities that exist within the global economy.

After completing the course students should be able to:

- Define and analyze financial market, financial intermediary, interest rate, stock prices, exchange rate, structure and function of federal reserve, and monetary policy.
- Apply the Exchange rate, Aggregate Supply, Aggregate Demand model to analyze equilibrium outcomes in the macroeconomy.
- Analyze the cause and effects of 2008 financial crisis

Required Text: Frederic S. Mishkin. *The Economics of Money, Banking, and Financial Markets*. New York: Pearson, 2018, 12th Edition

Course Requirements: The course grade will be determined as follows:

First exam:	25%
Second exam:	25%
Final exam:	20%
Report & Discussion:	15%
Assignments: Periodic (will be announced)	<u>15%</u>
	100%

Exams: There are two midterm exams and a final exam. Exams will emphasize analytical and problem solving skills and will cover the assigned textbook chapters as well as any additional material presented in class. The final exam is primarily a third unit exam. Makeup exams will not be offered without a university sanctioned excuse (university athletics, field trip, etc.). Approval for a makeup must be obtained before the date of the exam and should not be taken as given.

Assignments: 5 to 6 assignments will be posted online on CANVAS throughout the course. Assignments are designed to offer hands-on practice with the material. There will be partial markings for partly correct answers. You should submit the assignments through CANVAS by the due date. Late submissions will not be considered.

Note: Please make sure to write your name on the assignment before you submit it online.

Report: A research report should be submitted by the deadline announced in class. The topic of the report will be discussed in class.

Grading Scale: Letter grades are determined as follows:

A:	grade \geq 93%	C:	77% > grade \geq 73%
A-:	93% > grade \geq 90%	C-:	73% > grade \geq 70%
B+:	90% > grade \geq 87%	D+:	70% > grade \geq 67%
B:	87% > grade \geq 83%	D:	67% > grade \geq 63%
B-:	83% > grade \geq 80%	D-:	63% > grade \geq 60%
C+:	80% > grade \geq 77%	F:	60% > grade

This schedule may be adjusted but only in favor of the students as a group.

Any suspected academic misconduct on either an assignment or an exam will be dealt with under the appropriate University procedures.

ECON 360 – tentative course outline (subject to change by the instructor)

Week 1	An Overview of the Financial System	Chap 2
	What is Money?	Chap 3
Week 2	Understanding Interest Rates	chap 4
	Understanding Interest Rates	chap 4
Week 3	The Behavior of Interest Rates	chap 5
	The Behavior of Interest Rates	chap 5
Week 4	The Risk and Term Structure of Interest Rates	Chap 6
	The Risk and Term Structure of Interest Rates	Chap 6
Week 5	The Stock Market	Chap 7
	The Stock Market	Chap 7
Week 6	Exam 1	
	Banking and the Management of Financial Institutions	Chap 9
Week 7	Banking and the Management of Financial Institutions	Chap 9
	Central Banks and the Federal Reserve System	Chap 13
Week 8	The Money Supply Process	Chap 14
	The Money Supply Process	Chap 14
Week 9	Tools of Monetary Policy	Chap 15
	Tools of Monetary Policy	Chap 15
Week 10	Break	
	The Conduct of Monetary Policy: Strategy and Tactics	Chap 16
week 11	The Conduct of Monetary Policy: Strategy and Tactics	Chap 16
	Exam 2	
Week 12	The Foreign Exchange Market	Chap 17
	The Foreign Exchange Market	Chap 17
Week 13	Aggregate Demand and Supply Analysis	Chap 22
	Aggregate Demand and Supply Analysis	Chap 22
Week 14	Monetary Policy Theory	Chap 23
	Monetary Policy Theory	Chap 23
Week 15	Financial Crisis	
	Review	

Final exam: 5/14/2019, Tuesday 8:00AM - 10:00AM

Administrative details:

ADA / Equal Access for Students with Disabilities:

The American Disabilities Act (ADA) is a federal law requiring educational institutions to provide reasonable accommodations for students with disabilities. For more information about UWSP's policies, see: <https://www.uwsp.edu/datc/Pages/uw-legal-policy-info.aspx>

UW-Stevens Point will modify academic program requirements as necessary to ensure that they do not discriminate against qualified applicants or students with disabilities. The modifications should not affect the substance of educational programs or compromise academic standards; nor should they intrude upon academic freedom. Examinations or other procedures used for evaluating students' academic achievements may be adapted. The results of such evaluation must demonstrate the student's achievement in the academic activity, rather than describe his/her disability.

If modifications are required due to a disability, please inform the instructor and contact the Disability and Assistive Technology Center to complete an Accommodations Request form. The Disability and Assistive Technology Center is located on the 6th Floor of Albertson Hall. For more information, call 715-346-3365 or visit:

<https://www.uwsp.edu/datc/Pages/default.aspx>

Inclusivity/Nondiscrimination Statement

It is the responsibility of the instructor to present materials and activities that are respectful of diversity, such that students from all diverse backgrounds and perspectives be well-served by this course. No person shall be discriminated against because of race, ethnicity, color, age, religion, creed, gender, gender identity, sexuality, disability, nationality, culture, genetic information, socioeconomic status, marital status, veteran's status, or political belief or affiliation and equal opportunity and access to facilities shall be available to all. To address concerns regarding any of these issues please call 715-346-2606 or visit:

<http://www.uwsp.edu/hr/Pages/Affirmative%20Action/About-EAA.aspx>

Religious Beliefs Accommodation

It is UW System policy (UWS 22) to reasonably accommodate your sincerely held religious beliefs with respect to all examinations and other academic requirements. A direct link to this policy can be found here: https://docs.legis.wisconsin.gov/code/admin_code/uws/22

Help Resources

The Tutoring and Learning Center helps with Study Skills, Writing, Technology, Math, & Science. The Tutoring and Learning Center is located at 018 Albertson Hall. For more information, call 715-346-3568 or visit: <https://www.uwsp.edu/tlc/Pages/default.aspx>

If you need healthcare, UWSP Student Health Service provides student-centered healthcare that empowers and promotes wellness for all UWSP students. Student Health Service is located on the 1st floor of Delzell Hall. For more information, call 715-346-4646 or visit: <http://www.uwsp.edu/stuhealth/Pages/default.aspx>

The UWSP Counseling Center is staffed with licensed mental health professionals dedicated to assisting students as they navigate difficult circumstances or resolve personal concerns. Therapy and consultation services are free of charge for registered students. The UWSP

Counseling Center is located on the 3rd Floor of Delzell Hall. For more information, call 715-346-3553 or visit: <http://www.uwsp.edu/counseling/Pages/default.aspx>

In addition to the support services provided by Student Health Service and the UWSP Counseling, there are also professional support services available to students through the Dean of Students.

The Office of the Dean of Students supports the campus community by reaching out and providing resources in areas where a student may be struggling or experiencing barriers to their success. Faculty and staff are asked to be proactive, supportive, and involved in facilitating the success of our students through early detection, reporting, and intervention. As such, an instructor may contact the Office of the Dean of Students if he or she senses that a student is in need of additional support beyond what the instructor is able to provide. For more additional information, please go to <http://www.uwsp.edu/dos/Pages/default.aspx>

UWSP students may also share a concern directly if they or another member of our campus community needs support, is distressed, or exhibits concerning behavior that is interfering with the academic or personal success and/or the safety of others. Please report any concerns of this nature at <https://www.uwsp.edu/dos/Pages/Anonymous-Report.aspx>

Emergency Response Guide

In the event of an emergency, follow UWSP's emergency response procedures. For details on all emergency response procedures, please go to <http://www.uwsp.edu/rmgt/Pages/em/procedures>

UWSP Community Bill of Rights and Responsibilities

UWSP values a safe, honest, respectful, and inviting learning environment. In order to ensure that each student has the opportunity to succeed, a set of expectations has been developed for all students, staff, and faculty. This set of expectations is known as the Rights and Responsibilities document, and it is intended to help establish a positive living and learning environment at UWSP. For more information, go to:

<https://catalog.uwsp.edu/content.php?catoid=10&navoid=422#section-1-communal-bill-of-rights-and-responsibilities>

University Attendance Policy

In addition to the course attendance policies determined by the instructor (noted above if applicable), the university provide standard guidelines by which students are to abide. All exceptions to the course attendance policy or the university guidelines should be documented in writing. A link to the university's attendance guidelines can be found at:

<https://www.uwsp.edu/regrec/Pages/Attendance-Policy.aspx>

University Drop Policy

You are expected to complete the courses for which you register. If you decide you do not want to take a course, you must follow the procedures established by the university to officially drop the course. If you never attend or stop attending a course and fail to officially drop, you will receive an F in the course at end of the semester. A link to the university's drop policy can be found at:

https://catalog.uwsp.edu/content.php?catoid=11&navoid=431&hl=add%2Fdrop&returnto=search#Drop/Add/Withdrawal_Procedures

Academic Honesty

UW System policy (UWS 14) states that students are responsible for the honest completion and representation of their work, for the appropriate citation of sources, and for respect of others' academic endeavors. Students suspected of academic misconduct will be asked to meet with the instructor to discuss the concerns. If academic misconduct is evident, procedures for determining disciplinary sanctions will be followed as outlined in UWS 14. A direct link to this policy can be found here:

https://docs.legis.wisconsin.gov/code/admin_code/uws/14

Grade Reviews/Appeals

A formal grade appeal, also known as a Grade Review, can be requested in instances when the student feels that he or she was not provided a syllabus with a grading scale in a timely manner (i.e., the end of the second week of classes) and/or the instructor did not stick with the grading scale published in the syllabus. Questions of whether or not the instructor appropriately graded one or more of the course assignments, quizzes, exams, etc. are not matters to be decided by a formal grade appeal, but rather should be taken up with the instructor directly. Information on grade reviews can be found in the University Handbook, Chapter 7, Section 5. A link to the university's policies on non-academic misconduct can be found at <https://www.uwsp.edu/acadaff/Pages/gradeReview.aspx>

Non-Academic Misconduct

Information on non-academic misconduct can be found in Chapters 17 and 18 of the Student Rights and Responsibilities Document. A link to the university's policies on non-academic misconduct can be found at <https://www.uwsp.edu/dos/Pages/stu-conduct.aspx>.

Confidentiality

Learning requires risk-taking and sharing ideas. Please keep your classmates' ideas and experiences confidential outside the classroom unless permission has been granted to share them.

It is important for students to understand that faculty are required to report any incidents of maltreatment, discrimination, self-harm, or sexual violence they become aware of, even if those incidents occurred in the past, off campus, or are disclosed as part of a class assignment. This does not mean an investigation will occur if the student does not want that, but it does allow the university to provide resources to help the student continue to be successful.

Sample Coursework Permission

The instructor may wish to use a sample of your work or some of the feedback you provide on the course in future teaching or research activities. Examples: showing students an example of a well-done assignment; analyzing student responses on a particular question; discussing teaching techniques at a conference. If your coursework or feedback is used, your identity will be concealed. If you prefer not to have your work included in any future projects, please send the instructor an e-mail indicating that you are opting out of this course feature. Otherwise, your participation in the class will be taken as consent to have portions of your coursework or feedback used for teaching or research purposes.

Revision Clause

This syllabus, the provided schedule, and all aforementioned coursework are subject to change. It is the student's responsibility to check the course website for corrections or

updates to the syllabus. Any changes will be clearly noted in a course announcement or through email.

General Information

I understand that things happen that prevent people from getting to class on time, myself included. As such, occasional late entrances are not a problem, and I would rather have you attend class than not. However, habitual tardiness will not be tolerated. In exams, late arrivals will not be given extra time. It is also understandable that people occasionally forget to turn off their cell phones before coming to class. Again, occasional instances are not a problem but do your best to turn off your phone before entering class. Students can use laptops in the class to take notes. Recreational use of laptops and pads are strictly discouraged.