



**National Taiwan University of Science and Technology**

**2021 Summer Program**

**ECON 302 Money, Banking and Financial Markets**

**Course Outline**

**Course Code: ECON 302**

**Instructor: Islam Rizvanoghlu**

**Home Institution: University of Houston**

**Office Hours: TBA and by appointment**

**Email: irizvanoghlu@uh.edu**

**Credit: 4**

**Prerequisites: ECON 101-Principles of Microeconomics and ECON 102-Principles of Macroeconomics**

**Course Description**

This course introduces financial markets sector and how each sector interacts with the individual, business and general economy. The role of financial institutions and the implications for the monetary policy is also examined. Special emphasis is placed on interactions of the money supply, interest rates and prices and their association with business activity. The aim of this course is to provide the students with an analytical framework that will enable them to understand and operate in financial markets and institutions. Besides, the course will introduce the student to real-world issues and problems of participants in financial markets and familiarize the student with the role of the central bank in terms of the formulation and implementation of monetary policy.

**Course Textbooks**

Frederic S. Mishkin, *The Economics of Money, Banking, and Financial Markets*, 11<sup>th</sup> edition, 2016, Pearson (earlier versions are also acceptable).

**Detailed Course Requirements**



- **Exams:** There will be Midterm and Final Exam. Each exam will make 40% of your grade. Exams will not be cumulative.
- **Problem Sets:** I will post 2 homework assignments. I will not accept late submissions. The problem sets will make 20% of your grade.

94-100 = A    90-93 = A-    86-89 = B+    82-85 = B    80-82 = B-    76-79 = C+  
72-75 = C    70-72 = C-    66-69 = D+    62-65 = D    60-62 = D-    Below 60=F

### Course Schedule

Chapter 1: Why Study Money, Banking, and Financial Markets?

Chapter 2: An Overview of the Financial System

Chapter 3: What Is Money?

Chapter 4: The Meaning of Interest Rates

Chapter 5: The Behavior of Interest Rates

Chapter 6: The Risk and Term Structure of Interest Rates

Chapter 7: The Stock Market and the Efficient Market Hypothesis

### Midterm Exam

Chapter 8: An Economic Analysis of Financial Structure

Chapter 9: Banking and the Management of Financial Institutions

Chapter 14: The Money Supply Process

Chapter 15: Tools of Monetary Policy

Chapter 17: The Foreign Exchange Market

Chapter 18: International Financial System

### Final Exam