



Hankuk University of Foreign Studies
2023 Winter Session
FIN 302 Money, Banking and Financial Markets
Course Outline

Course Code: FIN 302

Instructor: Dr. Amarendra Sharma

Home Institution: Binghamton University

Office Hours: TBA and by appointment

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

Credit: 4

Class Hours:

This course will have 52 class hours, including 32 lecture hours, professor 8 office hours, 8-hour TA discussion sessions, 4-hour review sessions.

Course Description:

This course is designed to enable students to have an understanding of the financial institutions, money markets, and monetary policy. It provides a comprehensive study of the nature of money and monetary standards, the development, structure, and functions of central banking, commercial banking, non-bank financial intermediaries, financial markets, and major monetary theories. It also includes a study of international finance.

Course Objectives:

- (1) The course is designed to stimulate student's interest in financial economics, financial markets, banking, and monetary issues.
- (2) Students will gain a thorough understanding of the role of financial markets and institutions in modern market economies.
- (3) Students will understand the role of financial markets in the determination of interest rates, asset prices, and exchange rates; and how these in turn affect the performance of an economy.
- (4) Students are expected to be current with the news that relates to this course.



Learning Outcomes:

After the completion of this course:

- (1) Students will be able to identify various economic forces that influence the Monetary system.
- (2) Students will be able to identify the important contributing factors to interest rates, inflation and financial crises.
- (3) Students will be able to recognize the roles of regulations, financial structures, and the monetary policies.
- (4) Students will be able to understand the international monetary exchange regimes and the determination of exchange rates.
- (5) Students will gain an understanding of the role of Central Banks in the monetary system and the overall economy.

Required Course Materials:

The required text for the course is The Economics of Money, Banking, and Financial Markets, 12th edition by Frederick S. Mishkin. The older editions of the textbook are also acceptable in lieu of the 12th edition.

Course Requirements:

Homework (2).....	20%
Mid-term Exam.....	40%
Final Exam.....	40%

Grading Policies:

Grades are used for two purposes. First is to allow me to judge if you have achieved competency in the material. The second is to provide you with the correct incentives to obtain this competency. The evaluation used in this class is designed to achieve both goals.

Grade Distribution:

Your aggregate score will be determined according to the following formula:

$$(0.10 * hw1 + 0.10 * hw2 + 0.4 * mid-term exam + 0.4 * final)$$

The final score will be scaled and the scaled score will be used to assign a Course grade. The letter grade for this course will be determined by using the following scale:

Grading System (1 ~ 100)



The final score will be scaled and the scaled score will be used to assign a Course grade.

A+ : 96 - 100	A : 91 - 95
B+ : 86 - 90	B : 81 - 85
C+ : 76 - 80	C : 71 - 75
D+ : 66 - 70	D : 60 - 65
F : 0 - 59	
Pa : Pass	Fa : Fail

Course Schedule

WEEK 1

Why Study Money, Banking, and Financial Markets?	Chapter-1
An Overview of the Financial System.....	Chapter-2
What is Money ?.....	Chapter-3
The Meaning of Interest Rates.....	Chapter-4

WEEK 2

The Behavior of Interest Rates.....	Chapter-5
The Risk and Term Structure of Interest Rates.....	Chapter-6
The Stock Market, the Theory of Rational Expectations, and the Efficient Market Hypothesis.....	Chapter-7
An Economic Analysis of Financial Structure.....	Chapter-8

WEEK 3

Banking and the Management of Financial Institutions.....	Chapter-9
Banking Industry: Structure and Competition.....	Chapter-11
Central Banks and the Federal Reserve System.....	Chapter-13
The Money Supply Process.....	Chapter-14

WEEK 4



Tools of Monetary Policy.....Chapter-15

The Foreign Exchange Market.....Chapter-17

Quantity Theory, Inflation, and the Demand for Mon.....Chapter-19

Aggregate Demand and Supply Analysis.....Chapter-22

Note: This syllabus is subject to change.

