



## **Shih Chien University**

**STP Program (July 01-Aug 02)**

**ECON 430 Money and Credit**

### **Course Outline**

**Course Code: ECON 430**

**Instructor: Islam Rizvanoghlu, Phd**

**Home Institution: University of Houston**

**Office Hours: TBA**

**Email: irizvanoghlu@uh.edu**

**Credits: 4**

**Class Hours:**

This course will have 144 class hours, including 50 lecture hours, professor 30 office hours, 20-hour TA discussion sessions, 10-hour review sessions, 34-hour extra classes.

**Prerequisites: N/A**

**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.

**Academic Inquiry:** Shih Chien University

**Disclaimer: Course schedule is subject to change.**



### Required Course Materials:

Frederic S. Mishkin, *The Economics of Money, Banking, and Financial Markets*, 13th edition, 2021, Pearson (earlier versions are also acceptable).

### Grading System:

- **Exams:** There will be two Midterm exams and one comprehensive Final Exam during the class time. Each midterm exam will make 20% of your grade. Midterm exams will not be cumulative. However, final exam will be cumulative, and it will make 40% of your grade.
- **Problem Sets:** I will post 2 homework assignments. I will not accept late submissions. The problem sets will make 20% of your grade.

### Grading System (1 ~ 100):

Quality Points	Grade	Percentage %
4	A	80-100
3	B	70-79
2	C	60-69
1	D	50-59
0	E	0-49

### Course Schedule

#### WEEK 1

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

Chapter 2: An Overview of the Financial System

Chapter 3: What Is Money?

Chapter 4: Understanding Interest Rates

#### *Homework 1*

#### WEEK 2

Chapter 5: The Behavior of Interest Rates

Chapter 6: The Risk and Term Structure of Interest Rates

#### *Midterm 1*

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### **WEEK 3**

Chapter 7: The Stock Market and the Efficient Market Hypothesis

Chapter 8: An Economic Analysis of Financial Structure

### ***Homework 2***

### **WEEK 4**

Chapter 9: Banking and the Management of Financial Institutions

Chapter 14: The Money Supply Process

Chapter 15: Tools of Monetary Policy

### ***Midterm 2***

### **WEEK 5**

Chapter 17: The Foreign Exchange Market

Chapter 18: The International Financial System

### ***Final Exam***

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