Syllabus – ECN 3210, Winter 2018

Ronald Tracy, Ph.D.   Class: 3 – 4:20 PM TR
Dept. of Economics   Office Hours: 4:20-4:40 PM TR in classroom and by appointment
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Class Schedule –

Week	Topic	Chaps
Jan 4	Introduction	1-3
Jan 9-11	Interest Rates	4-5
Jan 16-18	Interest rates, Stock Market	6
Jan 23-25	Stock Market and Financial Structure	7-8-
Jan 30, Feb 1	Bloomberg, Banking	9-11
Feb 6-8	Financial Crisis, Non-Bank Finance	12-13
Feb 13-15	Derivatives, Mid term	14
Feb 20-22	**BREAK**	
Feb 27, March 1	Derivatives, Conflict of Interest	15
March 6-8	The Fed, Money Supply	16-17
March 13-15	Monetary Policy: Tools and Conduct	18-19
March 20-22	International Finance	20-21
March 27-29	Demand for Money, ISLM	22
April 3-5	Aggregate Demand and Supply, DAD-DAS	23
April 10-12	Monetary Policy in Practice	24-25
April 17	Open for now	

April 19   **FINAL EXAM (12 – 3 PM)**

Required Materials –
(1) MYEconlab is required. It costs about $60. Chapter quizzes and tests are required weekly. Go to myeconlab.com to buy it. Information is on Moodle
(2) You can buy an electronic copy of the text Fredrick Mishkin, *The Economics of Money, Banking and Financial Markets, Business School Edition* (4th edition), Pearson for $55 (I think). You can also buy a loose-leaf copy for about $60. You can buy this in addition to the electronic copy or in place of it. You need a textbook.
(3) There are 8 papers using the *Wall Street Journal* or *Bloomberg Business Week* required for this class. Each is a page long and described below. Information on subscribing will be provided soon. Alternatively 3 of them can be a Bloomberg terminal paper. More later.

Learning Outcomes (evaluated through homework and exams) –
This course is designed to provide you with the theoretical tools and practical applications so that you are able to understand financial markets, the U.S. economy, and the effects of monetary (and fiscal) policy

on the nation's economy. The primary emphasis is on how monetary policy affects the economy. You will be expected to relate monetary and financial theories to current economic problems. You should be able to comprehend discussions of monetary and financial markets in news media when you finish this course. Class participation is important and students who do not participate will be called upon. Class participation is required.

Grading

Midterm	5%
Justifications*	18%
MyEconLab*	18%
WSJ Papers	15%
Bloomberg	8%
Final MC	18%
Final Just/graphs	18%
Participation, attendance, effort	Grade can be adjusted down by a full grade

<u>**Written Homework**</u> **– Written homework assignments will be made at the end of the week. You MUST post your answers to them by 2 PM on Thursday and brought two copies to Thursday's class.** You are allowed to talk to one another about your homework; but each student *must complete the assignment independently* and turn in their own paper. *Copying, paraphrasing or using another person's answer to write your own is not allowed and will be reported to the Academic Misconduct Committee.*

Homework consists of 4-6 questions – problems or true/false statements that you must correct and provide a justification. I call these **Justifications**. Your name, should be in the left corner, your row number in right corner and the Assignment number or the due date in the middle, along with your word count; all in the header ½ inch from the top of the page. **Answers must be typed (except graphs or tables which can be handwritten).** *Each week the required minimum word count will be given to you. You will type your word count in your header.* Your homework must be uploaded by 2 PM on Thursday. Bring two copies to class (with graphs), one to turn in and one to make notes on. ***Staple multiple pages together.***

First, if the statement is correct, rewrite the statement, if it is false, write your corrected version of the statement (*your corrections should be italicized* or <u>underlined,</u> do not write the original question). Then write a justification of the correct statement. Any graphs or tables should be below all of your written work. Graphs must be clearly labeled. If you do not follow the directions you will get a 0.0 on the assignment. **Because answers are given in class, late assignments will not be accepted.** If you cannot make class: 1) have someone else turn in your assignment for you, 2) turn it in *before class* in my office, 3) FAX it to me at 370–4275 (you *must* email to tell me it has been sent, put my name on the FAX, and it must arrive before 3 PM.), 4) you may email 1 (one) homework assignment to me before 3 PM (save this for a real problem). Each week your paper is graded for completeness (goes into effort). At least 7 questions will be graded during the semester. All questions are reviewed in class. Each student is required to volunteer to have their answer read and graded in class at least twice (more suggests higher level of effort, less, lower effort). Your highest 8 grades are averaged (using all graded problems and problems graded when presented, this means at least one is dropped).   .

MyEconLab – *Each week MyEconLab quizzes and tests are assigned that must be completed. Quizzes by 2 PM on Tuesday, and tests by 11:59 PM Sunday.* If there are transmission issues, you are out of luck. DO NOT WAIT UNTIL THE LAST MINUTE. Quizzes and tests consist of 9-12 multiple choice questions. About 20% of the questions come from questions at the end of each chapter in your textbook. Use the Study Plan section of MyEconLab to review areas you are having trouble with. Both quizzes and tests use the same chapter bank of between 100 and 250 questions. You are given 15 minutes to complete each quiz and test. You can take each twice if you like. The highest grade counts for each. If your quiz grade is 50% or above it will be dropped and your weeks grade will be your test grade; if less than 50% the quiz and test are averaged. The grading scale is: 90%, 4.0; 80% 3.5; 70%, 3.0; 55%, 2.0; and 40 %, 1.0 (scores in between will be estimated). Your two lowest chapter grades will be dropped. After each quiz and test it will tell you which questions you missed and your score. Your results on the quizzes and tests modify your study plan. This will have you use your time most affectively. *YOU ARE NOT TO COPY OR PRINT ANY QUIZ OR TEST QUESTIONS. YOU ARE TO WORK ALONE ON ALL QUIZZES AND TESTS. YOU ARE NOT TO SHARE ANY QUESTIONS OR ANSWERS WITH OTHER STUDENTS. YOU ARE NOT TO SEARCH THE INTERNET FOR ANSWERS TO A QUESTION. ANY VIOLATION WILL BE SUBMITTED TO THE UNVIERSITY ACADEMIC MISCONDUCT COMMITTEE WITH A RECOMMENDATION FOR <u>EXPULSION</u> FROM THE UNVIERSITY.*

WSJ/BBW Papers. Eight short papers are required. They will be **at least 650 words in length**. Papers must be posted on Moodle by the due date and brought to class. Each paper will consist of a **1 paragraph summary and 1 paragraph analysis** of a *major* **(not a news clip, it should be at least 20 column inches)** article that appeared in the previous two weeks of the *Wall Street Journal* or *Bloomberg Business Week* on the topic I have selected for that paper. You select the article but it should allow you to analyze the content with what you have learned in ECN 321. Most analyses will require a graph. You may NOT work with another student on these papers. Four of the papers will be graded for content; all will be graded for following directions. The paper will consist of a 1 paragraph summary and analysis. Each is about a ½ page long single space, 11 or 12 point font. The analysis is a single paragraph that explains the economics behind the article. If required, or if you choose to ue one when it is not required, it must be one you learned in class and you must discuss it in your explanation. You are not required to post your graph(s). **Your name and aisle number should be a header ½ inch from the top of each type written page and written on your page of graphs, in the middle type the due date or assignment number and your word count.**

Questions Typed question(s) must be posted by 2 PM Tuesday on Moodle and 2 copies brought to class. They can be based on your quiz or reading. This counts as part of you class effort. Questions from the quiz can be used. You must copy the question (and your incorrect answer) and the correct answer. You can also ask a question you want answered based on your readings (please put the page number in case I need to understand the questions context). All questions are worth ½ point. The maximum without asking a question in class is 1.5 points. You get ½ point for each question you ask in class. The maximum number of points for a week is 3.5. Adequate effort is averaging 2.

Study approach. Answer a couple of questions at the end of each chapter section in the study plan. If you get these correct go to the next section, if you mss one of them try a few more. After completing each section in the chapter, take a quiz. Do not look up answers to the questions. You want to see what you know. Your study plan will be updated based upon what you answered correctly and incorrectly. After reviewing more in your study plan, take your second quiz. Study more if needed. Then take your chapter test. If you are happy with your grade, you are done. Otherwise use your study plan to work on what you don't understand and take your second test.

Final/Midterm – The purpose of the final is to validate your weekly tests and written homework. If the performance on the final is significantly worse or any better than on your weekly tests or written homework, the final's weight will increase. The final will consist of 3 justifications, or problems, 3 justifications graph only (each justification is worth 10 points), 10 calculations (worth 1 point each) and 50 multiple-choice questions. The justifications will come from the weekly homework (with slight modifications). ***The final is comprehensive.*** You must take the final or you will get a 0.0 in the course. The grading scale for the final and midterm is 80%, 4.0; 70% 3.5; 60%, 3.0; 45%, 2.0; and 30 %, 1.0. The scale is generous to account for the difficulty of taking an in-class comprehensive exam.

Multiple Choice portion of final – If the percentage on the multiple choice portion of the final is *lower* than the weekly tests but within 20% of the weekly multiple choice score, the final's weight will be reduced to 0, and weekly tests increased to 36%. If the difference is greater than 20% and less than 35% then the weight of the final and weekly tests are both 18%. If the difference is over 35%, the final's weight is 27% and the weekly tests 9%. If your final's percentage is *greater* than the weekly tests the final's weight is 27% and the weekly tests 9%. To give you an idea of the MC portion of the final, a practice final will be on-line that you can take twice.
Written portion of final –The written portion of the final is adjusted in a similar manner. Less than a full grade weekly justifications count 36%, final 0%, if over 2 full grades different, final justifications count 27% and weekly only 9%. Between one full grade and two full grades, each count 18%.
Midterm –Also there will be a midterm exam consisting of 20 multiple choice questions, calculations, and 1 or 2 justifications and 1 or 2 graph only justifications. The midterm weight is fixed. The midterm has been requested by students to see what the final would be like.

Bloomberg-In order to make you more attractive to employers, I am going to introduce you to Bloomberg Terminals. I will be requiring that everyone take three of the four parts of Bloomberg Market Concepts. More later.

Effort – Effort is measured by attending class, participating, correctly submitting assignments on-time and asking questions in-class. Most students will NOT have a change in their grade. However, students who don't follow directions or submit assignments, can have their grade lowered by up to 1 full grade (e.g., a 2.3 could become a 1.3). In contrast, a student who is a strong class participant and gets assignments in on-time and goes overboard can have their grade improve up to one full grade (e.g., a 3.0 to a 3.6). A 0.1 or 0.2 improvement frequently occurs (e.g., a 3.8 becomes a 4.0).