



# **FIN 312.02W**

## **Money, Banking, and Financial Markets**

### **Fall 2015**

**Instructor: Dr. Lirong Liu**

**Office Location: BA 102F**

**Office Hours: 1) online through virtual office; 2) in person by appointment only--please contact me with at least 12 hours in advance**

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#### **Preferred Form of Communication:**

- The best way to contact me is by email. I will reply as promptly as I could. Please put the course number 'FIN 312.02W' in the subject. Missing course number in the subject can seriously delay the response time.
- Please allow up to 24 hours during weekdays and 48 hours during weekend for me to reply. If you do not hear from me within that time frame, you can resend your email or call me at 903-886-5674 (leave a message if not answered).
- Please consult your syllabus, the course page and Q&A sections in eCollege to see if your questions/concerns are addressed before sending me an email. If it is a question about the course content, please consider posting it in the Q&A sections so that the whole class can view it.
- You are responsible for checking your university email daily for announcement, update and other information regarding the course.

## **COURSE INFORMATION**

### **Textbook(s) Required:**

Money, Financial Markets and Institutions, 8<sup>th</sup> edition, by Frederic S. Mishkin and Stanley G. Eakins. Pearson rentice Hall. ISBN-13: 9780133423624

### **Optional (not required):**

Study Guide for Financial Markets & Institutions, 8<sup>th</sup> edition, by William Gerken. ISBN-10: 0133427072; ISBN-13: 9780133427073

While we will NOT have formal assignments from the Study Guide, I strongly recommend that you obtain a copy of the study guide. It is a useful check to see whether you have learned from the chapters what you should have. That should help cut down on the "I thought I really knew it" type of surprises if and when you do not do so well on an exam.

### **Other requirement:**

Financial Calculator –Texas Instruments BA II or comparable

## **Course Description**

The course is, materially, a cross between a traditional "money and banking" economics course and a standard "money and capital markets" finance course. It differs, however, in its general approach to the topics covered. The aim of the course is to provide an analytical framework that will enable one to understand, interact with, and operate in financial markets and institutions. The approach of the course is highly applications and implications oriented. The purpose of this approach is to introduce the student to real-world issues and problems that participants in financial markets regularly encounter. Additionally, in that money and capital markets are truly "globalized" markets, international perspectives are fully integrated into the material. Further, because financial markets continue to innovate and evolve, the nature of, and forces driving, such innovations are highlighted. Finally, inasmuch as the stability of financial markets impacts significantly the health and stability of the overall economy, consideration of the role of the central bank in terms of the formulation and implementation of monetary policy is a vital component of the course.

There are two factors that you should consider carefully before you start this course. First, you should keep in mind that it is critical that you read materials and do assignments when assigned. A person who hopes to do well in this class can ill afford to fall behind. Second, if you do not have sufficient time to devote to the class each week, and/or if you are not comfortable with meeting with the class at the appointed time, you probably should rethink taking this class and switch to a face-to-face class or take in a different semester. Keep in mind that Finance 312 is an upper-level finance course, and the performance requirements will be commensurate with same.

## **GRADING**

There will be four exams worth 20 points each and one quiz per chapter (except Chapter 1 and Chapter 14) worth 2 points each. The lowest two quiz grades will be dropped.

All exams and quizzes are multiple choice questions and will be submitted through eCollege. Each exam will be accessible for a period of 72 hours and quiz 48 hours. Please check the course schedule at the end of the syllabus and mark your calendar accordingly. You need to make sure that you will have stable Internet access for at least a two-hour period during each scheduled exam/quiz window. Important things to keep in mind while taking exams and quizzes:

1. Remember you must hit "submit" for your selection to be saved and evaluated.
2. If you access eCollege through MyLeo, remember to close the MyLeo window while exploring the courses in eCollege. MyLeo will sign you out automatically after 20 minutes of inactivity (even though you are active in eCollege), which could result in you being signed out of eCollege automatically as well.

No makeup exams will be given unless for a university excused absence. For an excused absence, the makeup exam will be given as a comprehensive final during the final exam week. This means you will need to take two exams during the final week: the regularly scheduled exam and the comprehensive makeup final. Note that computer issues are not a valid excuse. Only one makeup exam with excused absence is allowed per student.

No makeup quiz will be given for excused and unexcused absence. If you miss a quiz, it will be the one that's dropped.

Final grades in this course will be based on the following scale:

A = 90%-100%	B = 80%-89%	C = 70%-79%
D = 60%-69%	F = 59% or Below	

Note:

1. "Need" is not a factor in determining course grads, so please do not email or call me telling me how much you need to make a certain grade.
2. Grades are to be earned, not gifted. There will not be anything "extra" outside the assigned exams and quizzes that you can do to pass the course or get a "C" in this course.
3. No student will be given an opportunity to make up for an inadequate performance on an exam and makeup exams will be given only for excuse absences.

### **Hints for making a good grade in this course**

1. Attend class/Webinars regularly—come prepared, ask questions if you do not understand the material and/or assignments, stay alert and take good notes. If you miss any Webinars, check the recorded session within a few days.
2. Get the Study Guide, and use it.
3. Read and study materials when assigned. Falling behind in an online class can be fatal (grade-wise, of course). Webinar sessions make more sense if you come to class prepared.
4. Take quizzes and exams on scheduled exam dates. Remember you can only take makeup exam as a comprehensive final with excused absences.
5. When you don't understand the material, ask questions either during the Webinar or by email. You can also make an appointment to meet with me in my office. Contact me as soon as you realize you are having problems in this course. Emailing me or come by my office after failing two or three exams and/or when there are only a few days left in the semester will NOT help.

## Course Objectives

- 1. Financial markets in general:** students should understand the function, nature, instruments traded and major participants of financial markets; be able to calculate/estimate the yield on various financial instruments.
- 2. Interest rates:** students should understand the nature and function of real and nominal interest rates, the relationship between risk and interest rates, and understand the market determination of interest rates and factors affecting their movement over time
- 3. Monetary policy:** students should understand the formulation, implementation and general impact of basic monetary policy measures; understand the nature and function of central banks in general and the Federal Reserve in particular.
- 4. Financial institutions:** students should understand why financial institutions exist, the significant forces favoring the development and use of indirect versus direct finance, the effects of financial crises on the broader economy, the significance of asymmetric information in financial markets.
- 5. The international financial system:** students should understand the nature, significance and determination of currency exchange rates, factors that affect exchange rates in the short run and long run, understand the appeal of and mechanisms employed in foreign exchange interventions by governments, and the relative advantages and disadvantages of fixed versus freely fluctuating exchange rates.

## TECHNOLOGY REQUIREMENTS

- To fully participate in online courses you will need to use a current Flash enabled browser. For PC users, the suggested browser is Google Chrome or Mozilla Firefox. For Mac users, the most current update of Firefox is suggested.
- You will need regular access to a computer with a broadband Internet connection. The minimum computer requirements are:
  - 512 MB of RAM, 1 GB or more preferred

- Broadband connection required courses are heavily video intensive
- Video display capable of high-color 16-bit display 1024 x 768 or higher resolution
- You must have a:
  - Sound card, which is usually integrated into your desktop or laptop computer
  - Speakers or headphones.
  - \*For courses utilizing video-conferencing tools and/or an online proctoring solution, a webcam and microphone are required.
- Both versions of Java (32 bit and 64 bit) must be installed and up to date on your machine. At a minimum Java 7, update 51, is required to support the learning management system. The most current version of Java can be downloaded at: [JAVA web site](http://www.java.com/en/download/manual.jsp)  
<http://www.java.com/en/download/manual.jsp>
- Current anti-virus software must be installed and kept up to date.
- Run a browser check through the Pearson LearningStudio Technical Requirements website. [Browser Check](http://help.ecollege.com/LS_Tech_Req_WebHelp/en-us/#LS_Technical_Requirements.htm#Browsset)  
[http://help.ecollege.com/LS\\_Tech\\_Req\\_WebHelp/en-us/#LS\\_Technical\\_Requirements.htm#Browsset](http://help.ecollege.com/LS_Tech_Req_WebHelp/en-us/#LS_Technical_Requirements.htm#Browsset)

Running the browser check will ensure your internet browser is supported.

Pop-ups are allowed.

JavaScript is enabled.

Cookies are enabled.

- You will need some additional free software (plug-ins) for enhanced web browsing. Ensure that you download the free versions of the following software:
  - [Adobe Reader](https://get.adobe.com/reader/) <https://get.adobe.com/reader/>
  - [Adobe Flash Player \(version 17 or later\)](https://get.adobe.com/flashplayer/)  
<https://get.adobe.com/flashplayer/>
  - [Adobe Shockwave Player](https://get.adobe.com/shockwave/) <https://get.adobe.com/shockwave/>
  - [Apple Quick Time](http://www.apple.com/quicktime/download/) <http://www.apple.com/quicktime/download/>

- At a minimum, you must have Microsoft Office 2013, 2010, 2007 or Open Office. Microsoft Office is the standard office productivity software utilized by faculty, students, and staff. Microsoft Word is the standard word processing software, Microsoft Excel is the standard spreadsheet software, and Microsoft PowerPoint is the standard presentation software. Copying and pasting, along with attaching/uploading documents for assignment submission, will also be required. If you do not have Microsoft Office, you can check with the bookstore to see if they have any student copies.
- For additional information about system requirements, please see: [System Requirements for LearningStudio](https://secure.ecollege.com/tamuc/index.learn?action=technical)  
<https://secure.ecollege.com/tamuc/index.learn?action=technical>

## **ACCESS AND NAVIGATION**

### **Pearson LearningStudio (eCollege) Access and Log in Information**

This course will be facilitated using Pearson LearningStudio, the learning management system used by Texas A&M University-Commerce. To get started with the course, go to [myLeo](http://www.tamuc.edu/myleo.aspx). <http://www.tamuc.edu/myleo.aspx>

**You will need your CWID and password to log in to the course. If you do not know your CWID or have forgotten your password, contact Technology Services at 903.468.6000 or [helpdesk@tamuc.edu](mailto:helpdesk@tamuc.edu).**

It is strongly recommended you perform a "Browser Test" prior to the start of your course. To launch a browser test, login to Pearson LearningStudio, click on the "My Courses" tab, and then select the "Browser Test" link under Support Services.

### **Pearson LearningStudio Student Technical Support**

Texas A&M University-Commerce provides students technical support in the use of Pearson LearningStudio.

Technical assistance is available 24 hours a day/ 7 days a week.

If you experience LearningStudio (eCollege) technical problems, contact the LearningStudio helpdesk at 1-866-656-5511 (toll free) or visit [Pearson 24/7 Customer Support Site](http://247support.custhelp.com/) <http://247support.custhelp.com/>

The student help desk may be reached by the following means 24 hours a day, seven days a week.

- **Chat Support:** Click on '*Live Support*' on the tool bar within your course to chat with a Pearson LearningStudio Representative.
- **Phone:** 1-866-656-5511 (Toll Free) to speak with Pearson LearningStudio Technical Support Representative.

**Accessing Help from within Your Course:** Click on the '*Tech Support*' icon on the upper left side of the screen inside the course. You then will be able to get assistance via online chat or by phone.

**Note:** Personal computer problems do not excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, office service companies, an Internet cafe, or a bookstore, such as Barnes & Noble, etc.

## **Policy for Reporting Problems with Pearson LearningStudio**

Should students encounter Pearson LearningStudio based problems while submitting assignments/discussions/comments/exams, the following procedure **MUST** be followed:

1. Students must report the problem to the help desk. You may reach the helpdesk at 1-866-656-5511.
2. Students **MUST** file their problem with the helpdesk and obtain a helpdesk ticket number

3. Once a helpdesk ticket number is in your possession, students should email me to advise me of the problem and to provide me with the helpdesk ticket number
4. At that time, I will call the helpdesk to confirm your problem and follow up with you

**PLEASE NOTE:** Your personal computer/access problems are not a legitimate excuse for filing a ticket with the Pearson LearningStudio Help Desk. You are strongly encouraged to check for compatibility of your browser **BEFORE** the course begins and to take the Pearson LearningStudio tutorial offered for students who may require some extra assistance in navigating the Pearson LearningStudio platform. **ONLY** Pearson LearningStudio based problems are legitimate.

### **myLeo Support**

Your myLeo email address is required to send and receive all student correspondence. Please email [helpdesk@tamuc.edu](mailto:helpdesk@tamuc.edu) or call us at 903-468-6000 with any questions about setting up your myLeo email account. You may also access information at [myLeo](https://leo.tamuc.edu). <https://leo.tamuc.edu>

### **Learner Support**

Go to the following link [One Stop Shop](http://www.tamuc.edu/admissions/onestopshop/)- created to serve you by attempting to provide as many resources as possible in one location.  
<http://www.tamuc.edu/admissions/onestopshop/>

Go to the following link [Academic Success Center](http://www.tamuc.edu/campusLife/campusServices/academicSuccessCenter/)- focused on providing academic resources to help you achieve academic success.  
[http://www.tamuc.edu/campusLife/campusServices/academicSuccessCenter](http://www.tamuc.edu/campusLife/campusServices/academicSuccessCenter/)  
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## **FREE MOBILE APPS**

The Courses apps for phones have been adapted to support the tasks students can easily complete on a smaller device. Due to the smaller screen size course content is not presented.

The Courses app is free of charge. The mobile Courses Apps are designed and adapted for different devices.

	<b>App Title:</b>	<b>iPhone</b> – Pearson LearningStudio Courses for iPhone <b>Android</b> – LearningStudio Courses - Phone
	<b>Operating System:</b>	<b>iPhone</b> - OS 6 and above <b>Android</b> – Jelly Bean, Kitkat, and Lollipop OS
	<b>iPhone App URL:</b>	<a href="https://itunes.apple.com/us/app/pearson-learningstudio-courses/id977280011?mt=8">https://itunes.apple.com/us/app/pearson-learningstudio-courses/id977280011?mt=8</a>
	<b>Android App URL:</b>	<a href="https://play.google.com/store/apps/details?id=com.pearson.ls.phone">https://play.google.com/store/apps/details?id=com.pearson.ls.phone</a>

Once downloaded, search for Texas A&M University-Commerce, and it should appear on the list. Then you will need to sign into the myLeo Mobile portal.

The Courses App for Android and iPhone contain the following feature set:

- View titles/code/Instructor of all Courses enrolled in online
- View and respond to all discussions in individual Courses
- View Instructor Announcements in individual Courses
- View Graded items, Grades and comments in individual Courses
- Grade to Date
- View Events (assignments) and Calendar in individual Courses
- View Activity Feed for all courses
- View course filters on activities
- View link to Privacy Policy
- Ability to Sign out
- Send Feedback

## LEARNINGSTUDIO NOTIFICATIONS

Students can be alerted to course activities via text on their mobile phones or up to two email addresses.

Based on their preferences, students can automatically receive a push notification with every new: course announcement, threaded discussion post, grade, and/or assignment without having to login to the course. Enrolled students will automatically receive email notifications for announcements and can opt out of this feature. To receive text notifications, students must opt in.

To begin setting up notifications, go into your course in LearningStudio and click on the bell-shaped Notifications icon on the main menu ribbon.

By default the student's university email address will appear. This cannot be changed in LearningStudio. Additional email addresses may be added by clicking the Add button. After all of the other selections are completed be sure to click the Save and Finish button.

## **COMMUNICATION AND SUPPORT**

### **Interaction with Instructor Statement**

The best way to contact me is by email. I will reply as promptly as I could. Please put the course number 'FIN 312.02W' in the subject. Missing course number in the subject can seriously delay the response time.

## **COURSE AND UNIVERSITY PROCEDURES/POLICIES**

### **Syllabus Change Policy**

The syllabus is a guide. Circumstances and events, such as student progress, may make it necessary for the instructor to modify the syllabus during the semester. Any changes made to the syllabus will be announced in advance in Webinar or through email.

### **University Specific Procedures Student Conduct**

All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. (See current Student Guidebook).

Students should also consult the Rules of Netiquette for more information regarding how to interact with students in an online forum: [Netiquette](http://www.albion.com/netiquette/corerules.html)  
<http://www.albion.com/netiquette/corerules.html>

## ADA Statement

### Students with Disabilities

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

### Office of Student Disability Resources and Services

Texas A&M University-Commerce

Gee Library- Room 132

Phone (903) 886-5150 or (903) 886-5835

Fax (903) 468-8148

Email: [Rebecca.Tuerk@tamuc.edu](mailto:Rebecca.Tuerk@tamuc.edu)

Website: [Office of Student Disability Resources and Services](http://www.tamuc.edu/campusLife/campusServices/studentDisabilityResourcesAndServices/)

<http://www.tamuc.edu/campusLife/campusServices/studentDisabilityResourcesAndServices/>

### Nondiscrimination Notice

Texas A&M University-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

### Tentative Schedule

<b>Module 1</b>	
Week 1 (8/31-9/4)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 1-3</li> <li>➤ Webinar: Tue, 9/1, 6:00-8:30</li> <li>➤ <i>Chapter 2 quiz (9/3-9/4)</i></li> </ul>
Week 2 (9/7-9/11)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 1-3, continued</li> <li>➤ Webinar: Tue, 9/8, 6:00-8:30</li> <li>➤ <i>Chapter 3 quiz (9/10-9/11)</i></li> </ul>
Week 3 (9/14-9/18)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 4-6</li> <li>➤ Webinar: Tue, 9/15, 6:00-8:30</li> <li>➤ <i>Chapter 4 quiz (9/16-9/17)</i></li> <li>➤ <i>Chapter 5 quiz (9/17-9/18)</i></li> </ul>

Week 4 (9/21-9/25)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 4-6, continued</li> <li>➤ Webinar: Tue, 9/22, 6:00-8:30</li> <li>➤ <i>Chapter 6 quiz (9/24-9/25)</i></li> </ul>
Week 5 (9/28-10/2)	<ul style="list-style-type: none"> <li>➤ Review, Webinar Tue, 9/29, 6:00-8:30</li> <li>➤ <b>Exam I 9/30 -10/2</b></li> </ul>
<b>Module 2</b>	
Week 6 (10/5-10/9)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 9-10</li> <li>➤ Webinar: Tue, 10/6, 6:00-8:30</li> <li>➤ <i>Chapter 9 quiz (10/8-10/9)</i></li> </ul>
Week 7 (10/12-10/16)	<ul style="list-style-type: none"> <li>➤ Text: Chapters 9-10, continued</li> <li>➤ Webinar: Tue, 10/13, 6:00-8:30</li> <li>➤ <i>Chapter 10 quiz (10/22-10/23)</i></li> </ul>
Week 8 (10/19-10/23)	<ul style="list-style-type: none"> <li>➤ Review, Webinar Tue, 10/20, 6:00-8:30</li> <li>➤ <b>Exam II 10/21 -10/23</b></li> </ul>
<b>Module 3</b>	
Week 9 (10/26-10/30)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 11</li> <li>➤ Webinar: Tue, 10/27, 6:00-8:30</li> <li>➤ <i>Chapter 11 quiz (10/29-10/30)</i></li> </ul>
Week 10 (11/2-11/6)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 12</li> <li>➤ Webinar: Tue, 11/3, 6:00-8:30</li> <li>➤ <i>Chapter 12 quiz (11/5-11/6)</i></li> </ul>
Week 11 (11/9-11/13)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 13</li> <li>➤ Webinar: Tue, 11/10, 6:00-8:30</li> <li>➤ <i>Chapter 13 quiz (11/12-11/13)</i></li> </ul>
Week 12 (11/16-11/20)	<ul style="list-style-type: none"> <li>➤ Review, Webinar: Tue, 10/17, 6:00-8:30</li> <li>➤ <b>Exam III 11/18-11/20</b></li> </ul>
<b>Module 4</b>	
Week 13 (11/23-11/24)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 14</li> <li>➤ Webinar: Tue, 11/24, 6:00-8:30</li> </ul>
Week 14 (11/30-12/4)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 15</li> <li>➤ Webinar: Tue, 12/1, 6:00-8:30</li> <li>➤ <i>Chapter 15 quiz (12/3-12/4)</i></li> </ul>
Week 15 (12/7-12/11)	<ul style="list-style-type: none"> <li>➤ Text: Chapter 20</li> <li>➤ Webinar: Tue, 12/8, 6:00-8:30</li> <li>➤ <i>Chapter 16 quiz (12/10-12/11)</i></li> </ul>
Week 16 (12/14-12/18)	<ul style="list-style-type: none"> <li>➤ <b>Exam IV 12/14-12/17</b></li> </ul>