

Syllabus

Economics 3229: Money, Banking and Financial Markets

Meeting Time Mondays and Wednesdays from 12:00 am to 12:50 pm.

Meeting Place 111 Anheuser-Busch Natural Resources Bldg.
(Conservation Auditorium). [Map](#).

Course Instructor

Name: Martin Pereyra
Office: 237 Professional Building
Office Hours: MWF from 10:30 am to 11:30 pm or by appointment.
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Course Overview

Money and banking is an exciting discipline that covers issues of importance in real life. This course provides an overview of the working of the financial and economic system and seeks to provide an understanding of how a financial economy operates. Problems arising from asymmetric information in markets are shown to be of vital importance in appreciating the structure and functioning of the financial system. Research in the areas of money, banking and financial markets is highly active, and deals with issues continuously in the news and the subject of vigorous policy debate. International concerns are also increasingly influencing the direction of discussion on financial economic issues. In the course, emphasis will be given to the role of asymmetric information in financial markets and associated regulatory issues that arise, the fundamentals of interest rates and financial institutions, the money supply process and the conduct of the Federal Reserve, the behavior of exchange rates and the international financial system, and rational expectations and the working of efficient markets.

Textbook

Frederic S. Mishkin, *The Economics of Money, Banking, and Financial Markets* (Ninth Edition, Addison Wesley Publishers, 2004). The *Study Guide* is also required. A package of examinations given in Econ 3229 during the semesters of Fall 2008 and Spring 2009 is recommended and will be available on Blackboard. Students should also find it useful to read the Wall Street Journal while taking Econ 3229.

Emergency related issues

In case of an emergency, military call-ups, sickness or death in the family affecting attendance the day of an exam or an in lab quiz, you will be excused from the exam or the quiz **if and only if** you follow this procedure:

You **must** provide your teaching assistant (TA) with your justification via e-mail and you **must** submit proper documentation to your TA in a timely manner (e.g. military order in advance, doctor's note upon your return). When you go through a death in the family, you need to send your TA a statement, via e- email, telling the deceased's name and the relationship to you and provide your TA with a copy of the obituary upon your return. Unexcused (i.e., no documentation) missed tests and quizzes will be scored as zeros.

A maximum of one quiz and one midterm can be excused during the semester. The excused quiz will be scored as the average of your other quizzes. Your performance on the final exam will replace your midterm score if you miss one of the midterms with an accepted excuse. If you **miss more than one midterm or the final exam**, you will automatically receive an "F".

Note: If you have a valid excuse to miss two midterms or to miss the final on their scheduled dates, you will receive an "incomplete" for the semester grade.

Grades

Plus/Minus grades will be determined on the basis of two midterm examinations, a comprehensive final examination and in lab (RSD) quizzes. A maximum of 450 points can be earned in the course. The two midterm examinations will be worth 90 points each, the final will be worth 180 points, each quiz will be worth 10 points. There will be 10 quizzes during the semester, although only the best 9 will count to your quiz score. There are no make up examinations. Scores for missed first or second examinations will be based on the final examination score. The score on the final exam will replace the lowest score on a midterm exam if the former is higher.

First midterm	36 questions, 2.5 points each	90
Second midterm	36 questions, 2.5 points each	90
In – lab quizzes (best 9)	5 questions, 2 points each	90
Final Exam	72 questions, 2.5 points each	180
Total course points		450

The letter grade is assigned based on the total points you can earn:

A minus or more	above 90% or 405 points
B minus or more	above 80% or 360 points
C minus or more	above 70% or 315 points
D minus or more	above 60% or 270 points
F	strictly below 60% or 270 points

Quizzes

A total of 10 quizzes will be given in your lab section. Make sure you attend every lecture and lab (RSD) meeting to make sure you know the dates and topics covered for every quiz. Quizzes will be given in general at the end of the lab section and will be based on material already covered in lecture.

Academic Dishonesty

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters. Sanctions for such a breach may include academic sanctions from the instructor, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, collaboration, or any other form of cheating, consult the course instructor.

American with Disabilities Act

If you need accommodations because of a disability, if you have emergency medical information to share with me, or if you need special arrangements in case the building must be evacuated, please inform me immediately. Please see me privately after class, or at my office.

To request academic accommodations (for example, a notetaker), students must also register with the [Office of Disability Services](http://disabilityservices.missouri.edu), (http://disabilityservices.missouri.edu), S5 Memorial Union, 882-4696. It is the campus office responsible for reviewing documentation provided by students requesting academic accommodations, and for accommodations planning in cooperation with students and instructors, as needed and consistent with course requirements. For other MU resources for students with disabilities, click on "Disability Resources" on the MU homepage.

Intellectual Pluralism

The University community welcomes intellectual diversity and respects student rights. Students who have questions concerning the quality of instruction in this class may address concerns to either the Departmental Chair or Divisional leader or Director of the [Office of Students Rights and Responsibilities](http://osrr.missouri.edu/) (http://osrr.missouri.edu/). All students will have the opportunity to submit an anonymous evaluation of the instructor(s) at the end of the course

Examination Dates (Locations are TBA)

First Midterm	Thursday, September 24 from 8 pm to 9 pm.
Second Midterm	Thursday, October 29 from 8 pm to 9 pm.
Final Exam (Comprehensive)	Friday, December 11 from 3:30 pm to 5:30 pm.