Grading Scale:

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>100-98</td>
<td>A+</td>
</tr>
<tr>
<td>97-93</td>
<td>A</td>
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<tr>
<td>92-90</td>
<td>A-</td>
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<tr>
<td>89-87</td>
<td>B+</td>
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<tr>
<td>86-83</td>
<td>B</td>
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<tr>
<td>82-80</td>
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<td>79-77</td>
<td>C+</td>
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<tr>
<td>72-70</td>
<td>C-</td>
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<tr>
<td>69-60</td>
<td>D</td>
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Important Dates:

- June 4: Class begins
- June 10: Last Day to Withdraw
- July 2: Midterm Exam
- July 25: Final Exam (4:15-6:45)


Honor Code: We are all expected to follow the honor code of Georgia State University. For more detail, please visit the GSU website:

http://www2.gsu.edu/~wwwdos/codeofconduct.html

Classroom Attendance: Although classroom attendance is not mandatory, students are responsible to make up missed work. In particular, a documented excuse may be required for a missed exam or late homework.
Exam Policy: There will be NO make-up for exams (except for valid reasons backed by documentation). Valid reasons for missing an exam include a documented medical illness that prevents you from taking the exam, a death in your immediate family, or a documented mandatory court date. You must submit official documentation within one week of the missed exam. Failure to do so will result in a zero for the missed exam. You must take the final exam at the university scheduled time.

Overview: This course uses an economic framework to discuss the structure of financial markets, financial institutions, and monetary policy. Effort will be made to incorporate current events into class discussions and activities. Specifically, Money and Credit" examines basic- and intermediate-level concepts in monetary theory, including asset demand, exchange rates, interest rates and the demand for money. The banking industry, its structure, performance, theory and function in financial markets is also discussed, with an emphasis on the economic analysis of banking industry behavior. Then, an investigation of monetary policy and the Federal Reserve Banking system assesses the place that the Fed occupies in financial markets, with focus on the tools with which the Federal Reserve can moderate or stimulate domestic economic performance.
Learning Outcomes:

1. The student will be able to discuss the relationship between financial markets, financial instruments, and financial intermediaries. The student will also be able to discuss the benefits provided by well-functioning financial markets and the role of financial intermediaries.
2. The student will be able to define yield and explain the relationship between the yield and price of a bond through risk and term structure.
3. The student will be able to identify relevant supply and demand determinants in bond markets and discuss how they affect yield and price in bond markets.
4. The student will be able to define and give examples of asymmetric information in the context of financial markets, and discuss what financial intermediaries have done to deal with such informational asymmetries.
5. The student will understand the theory or rational expectations and the efficient markets hypothesis.
6. The student will be able to discuss the structure of and degree of competition within the banking industry, as well as the trend toward deregulation of the financial markets.
7. The student will be able to list the functions of a central bank, and describe the main tools and goals of monetary policy.
8. The student will be able to discuss the process of multiple deposit creation and its effect on the credit markets.
9. The student will be able to identify the components of the money supply and how the Federal Reserve uses targeting strategies to exact changes in the money supply and how those changes can affect aggregate economic performance.
10. The student will learn about the management of government debt.
Weekly Schedule (tentative):

Week 1: Introduction (chapter 1) and Financial Markets (chapter 2)
Week 2: Money (chapter 3)
Week 3: Labor Day holiday
Week 4: Understanding Interest Rates (chapter 4)
Week 5: Behavior of Interest Rates (chapter 5)
Week 6: Review
Week 7: Midterm Exam
Week 8: Risk and term structure of Interest Rates (chapter 6)
Week 9: Efficient Market Hypothesis (chapter 7)
Week 10: Economic Analysis of Financial Structure (chapter 8)
Week 9: Financial Crises (chapter 9)
Week 10: Banking Industry: Structure & Competition (chapter 12)
Week 11: Central Banks & Federal Reserve System (chapter 13)
Week 12: Money Supply Process (chapter 14)
Week 13: Tools of Monetary Policy (chapter 15)
Week 14: Thanksgiving Holiday Break
Week 15: Conduct of Monetary Policy (chapter 16)
Week 16: Review