

Department of Economics
Carleton University
ECON 3607A – Monetary and Financial Institutions
2020 Winter

Instructor: Hassan Faryaar
Office: B844 Loeb Building
Office Hours: Monday, 1:30 pm – 3:00 pm or by appointment
E-mail: Hassan.Faryaar@Carleton.ca
Lectures: Thursday, 11:35 – 2:25 (Class: ME 3328)
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Prerequisites

ECON 1001 and ECON 1002, or ECON 1000 or FYSM 1003. Students who believe they have taken a similar backgroundcourse or courses from another university must provide appropriate documentation to the [Department of Economics Undergraduate Administrator](#).

Course Description

The behaviour of financial intermediaries and institutions is important and they play an essential role in the stability of the economy. This course will examine the tools, roles and responsibilities of monetary and financial institutions and underling economic theories behind them. The course will also discuss how individuals and institutions can manage risk, and how these institutions influence the economy using the aggregate demand-aggregate supply framework.

Required textbook:

Frederic S. Mishkin and Apostolos Serletis, *The Economics of Money, Banking and Financial Markets*, 7th Canadian Edition, Pearson Canada, 2016

Suggested textbook:

Stephen Cecchetti and Angela Redish, *Money, Banking, and Financial Markets*, Canadian Edition, McGraw-Hill Ryerson

Reading List: Additional readings or material may be assigned during the term.

Evaluation

The final course grade will be calculated as a weighted-average of the following three components:

- Assignments 30%
- In-class presentation 5% (in a group of 3 to 4 students)
- Midterm 20% (February 27)
- Final Examination 45%

There will be one midterm exam, which will be held during the class time on **February 27**. There will be no deferred midterm exam. Students who can document a compelling reason for missing the midterm exam will be excused and the weight of the midterm will be automatically added to their final exam. The final exam will take place during the Winter term examination period at a time and place set by the University. The final exam is cumulative, though it will be weighted toward the second half of the course.

The topics of the short presentations will be based on the chapters that we cover. Details on presentations and evaluation will be discussed in the first lecture.

Course Outline

- Part 1: Introduction (Ch. 1, 2, 3 of the required textbook)
- Part 2: Financial Markets (Ch. 4, 5, 6, 7)
- Part 3: Financial Institutions (Ch. 8, 9, 10, 11)
- Part 4: The management of Financial Institutions (Ch. 12 and 13)
- Part 5: Central Banking and The Conduct of Monetary Policy (Ch. 14, 15, 16, 17)
- Part 6: Monetary Theory (Ch. 20, 21, 22, 23, 24, 25, 26)

Regrading

Any request for the regrading of the assignments or midterm exam must be contacted to the instructor within two weeks after students receive their grade. Students are required to send e-mail to the instructor with the subject “ECON ECON 3607A-REQUEST FOR REGRADING” explaining the reason(s) for requesting a reappraisal of their graded work. Regrading will apply to the entire assignment/exam, not just the contentious question. As a result, the revised grade maybe higher than, lower than or the same as the original grade. Exams or assignments completed in pencil or erasable ink will not be regraded.

Departmental Drop Box Use: The Dropbox, where your assignment may be inserted through a brass mail slot in the door of room C-876 Loeb into a secure locked box is only to be used for the submission of late assignments. Please make sure you email your TA and instructor if you have placed an assignment in the Dropbox.

Note:

For verification and security purposes, I will not reply to emails originating from non-Carleton e-mail accounts, and which are not signed with a student's name and student number. Assignments and changes to schedules will be made available on cuLearn only.

Academic Support

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at [here](#).

Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request the processes are as follows:

- **Pregnancy obligation:** Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the [Equity Services website](#)

- **Religious obligation:** Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, visit the [Equity Services website](#).

- **Academic Accommodations for Students with Disabilities:** If you have a documented disability requiring academic accommodations in this course, please contact the Paul Menton Centre for Students with Disabilities (PMC) at 613-520-6608 or pmc@carleton.ca for a formal evaluation or contact your PMC coordinator to send your instructor your Letter of Accommodation at the beginning of the term. You must also contact the PMC no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting an accommodation from PMC, meet with your instructor as soon as possible to ensure accommodation arrangements are made. For more details, visit the [Paul Menton Centre website](#).

- **Survivors of Sexual Violence** As a community, Carleton University is committed to maintaining a positive learning, working and living environment where sexual violence will not be tolerated, and where survivors are supported through academic accommodations

as per Carleton's Sexual Violence Policy. For more information about the services available at the university and to obtain information about sexual violence and/or support, visit the website for the [Sexual Assault Support Services](#).

- **Accommodation for Students Activities** Carleton University recognizes the substantial benefits, both to the individual student and for the university, that result from a student participating in activities beyond the classroom experience. Reasonable accommodation must be provided to students who compete or perform at the national or international level. Please contact your instructor with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details, see the [policy](#).