

THE UNIVERSITY OF TEXAS AT EL PASO

Department of Economics and Finance

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FIN 3325 Money & Capital Markets

Course Syllabus, Fall 2018

Class Hours: 3:00 – 4:20, MW, in BUSN - 321

Office Hours: after class and by appointment

Required Text: Financial Markets and Institutions, by Mishkin and Eakins, 9th edition

Course Description: Analysis of the instruments and institutions of the money and capital markets and emphasis on the roles of these markets in the economy

Calculators: You need access to a *business* calculator, such as TI BA II Plus (recommended) or equivalent. Your calculator should be able to compute the net present value (NPV) and the internal rate of return (IRR) on an uneven stream of cash flows.

Grade Components:

Exams (highest of the average of the three in-term exams or the final exam)	55%
BMC	15%
Bloomberg Research projects	15%
Web exercises	15%
Total	100%

Attendance: Although there is no attendance point for this class, students are strongly encouraged to attend each class session and participate in class discussions. Students who attend class regularly perform substantially better in the exams than those who do not.

Exams: Three exams will be given. The exams will be based on assigned readings, lectures, and most importantly, assigned end-of-chapter problems. There will also be a final exam. The highest of the average of the three in-term exams or the final exam will be counted as the grade for exams

Bloomberg Market Concepts: Bloomberg Market Concepts (BMC) is an 8-hour, self-paced e-learning course that provides an interactive introduction to the financial markets. BMC consists of 4 modules - Economics, Currencies, Fixed Income and Equities - woven together from Bloomberg data, news, analytics and television. The course is available through the Bloomberg Professional Service at BMC <GO>.

Students will be required to take the BMC and pass each of the four modules. A passing grade is 70% or better. Bloomberg Professional Service terminals are available in the GECU – Bloomberg Terminal Room, Texas Gas Center (COBA) and in the CalcLab. One must first sign up as a Bloomberg Professional Service user, which is free. Upon passing the BMC you will receive a certificate of completion from Bloomberg which will be valuable in your professional career

Research projects: As the semester progresses, a number of Bloomberg assignments will be assigned

Web exercise home-works: A number of web exercises will be assigned. A student is allowed to miss two of these assignments home-work.

E-Mail Policy of the Finance Department

It is the policy of the finance department that all e-mails sent to professors or teaching assistants be of a professional nature and format. A formal greeting and salutation are required. Proper grammar, spelling, and format are required. You must clearly state the problem or question that will be addressed. You must identify the class, section, time, and location where the class meets. We reserve the right to not reply to any e-mail that does not meet these requirements and is not of a professional nature.

Tentative Course Outline:

The class will be organized as follows.

8-27:	Ch. 1 – Introduction	HW: Webexerc 1-1
8-29:	Ch. 2 - Overview of the Financial System	HW: Webexerc 2-2, Question 2
9-3:	Labor day	
9-5:	<u>Webexerc. 1-1 due</u> , Ch. 3 - Interest Rates	HW: Webexerc 3-1, Quant pr. 1-14
9-10:	<u>HW: Webexerc. 2-2 due</u> , Ch. 3 - Interest Rates	
9-12:	Ch. 4 - Interest Rate changes	HW: Webexerc 4-1, Quant pr. 1-4
9-17:	<u>HW: Webexerc. 3-1 due</u> , Ch. 4 - Interest Rate changes	
9-19:	Ch. 5 - Risk and Term Structure	HW: Quant pr. 1-10
9-24:	<u>Exam 1</u>	
9-26:	<u>Webexerc 4-1 due</u> , Ch. 5 - Risk and Term Structure	
10-1:	<u>BMC due</u> , Ch. 6 - Efficient Markets	HW: Webexerc 6-1, Quant pr. 1-2
10-3:	Ch. 7 -Why do financial Institutions Exists?	HW: Webexerc 7-2, Quant pr. 1-4
10-8:	<u>Webexerc 6-1 due</u> , Ch. 8 -Why do Crises Occur?	
10-10:	<u>Webexerc 7-2 due</u> , Ch. 9 - Central Banks	HW: Webexerc 9-1
10-15:	<u>Webexerc 9-1 due</u> , Ch. 10 - Monetary Policy	HW: Webexerc 10-1, Quant pr. 1-5
10-17:	<u>Assignment 1 due</u> , Ch. 11 - Money Markets	HW: Webexerc 11-1, Quant pr. 1-8
10-22:	<u>Webexerc 10-12 due</u> , Ch. 12 - Bond Market	HW: Webexerc 12-1, Q. pr.1-10
10-24:	<u>Webexerc 11-1 due</u> , Ch. 13 - Stock Market	HW: Webexerc 13-1, Q. pr.1-11
10-29:	<u>Assignment 2 due</u> , Ch. 14 - Mortgage Market	HW: Webexerc 14-1, Q. pr.1-10
10-31:	<u>Webexerc 12-1 due</u> , Ch. 15 - Forex	HW: Webexerc 15-1, Q. pr.1-10
11-5:	<u>Exam 2</u>	
11-7:	<u>Assignment 3 due</u> , Ch. 16 - International Fin. System	HW: Q. Pr. 1
11-12:	<u>Webexerc 13-1 due</u> , Ch. 18 – Regulation	HW: Q. pr. 1-2
11-14:	<u>Webexerc 14-1 due</u> , Ch. 19 - Banking Industry	HW: Webexerc. 19-1
11-19:	<u>Webexerc 15-1 due</u> , Ch. 20 - Mutual Funds	HW: Q. pr.1-6
11-21:	<u>Webexerc 19-1 due</u> , Ch. 21 - Insurance Companies	HW: Webexerc 21-1, Q. pr.1-6
11-26:	<u>Webexerc 21-1 due</u> , Ch. 22 - Investment Banks	HW: Webexerc 22-1, Q. pr.1-6
11-28:	<u>Assignment 4 due</u> , Ch. 23 - Risk Management	HW: Q. pr.1-5
12-3:	<u>Exam 3</u>	
12-5:	<u>Webexerc 22-1 due</u> , Review Session	
<u>12-10:</u>	<u>Final Exam (1pm – 3.45pm)</u>	

Important Notes:

1. In addition to the announced office hours, students may stop by my office at anytime (or email me) to ask questions.
2. If you have any trouble with the class, please get help ASAP. Do not let the problems buildup.
3. If you have a disability and need classroom accommodations, please contact The Center for Accommodations and Support Services (CASS) at 747-5148, or by email to cass@utep.edu, or visit their office located in UTEP Union East, Room 106. For additional information, please visit the CASS website at www.sa.utep.edu/cass.
4. **Academic integrity**. Academic integrity is an extremely serious matter. All students are expected to comply with University rules and regulations on academic integrity and honesty. Disciplinary sanctions may be imposed for violations of these rules and regulations. Because this class is a combination of quizzes and written case reports, extra care will be taken to assure the integrity of the teaching/learning process.
5. This syllabus is tentative.