

Money and Banking
Dr. Kurt W. Rotthoff

ECON 2408 NB

Thursday 6:30-9:00pm, Stafford Hall 111

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Office Hours: Tuesday 12:30-2:30 pm, Thursday 4:30-6:00 pm, and by appointment

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“The mission of the Stillman School of Business is to enrich each student’s life through an ethics-centered education focusing on transforming concepts into business practice.”

Course description:

This course is designed to give you a better understanding of Money, Banking, and Financial Markets and how they impact our daily lives. This will also give you a foundation if you chose to make this area your career. My goal is not to see if you can memorize the material, but to teach you to think. We will apply ‘Change Management’ to our understanding of variables the currently affect business and those that will have an impact on future business decisions. We will apply ‘Communications’ to our use of terminology and discussing ideas with the class. We will also use ‘Technology’ as we increase our ability to use computers to both answer important questions that arise in the class and do our homework online.

Text: Frederic S. Mishkin, *The Economics of Money, Banking, and Financial Markets*, 10th Ed.
ISBN: 0132770245

Academic and Professional Integrity:

‘All forms of dishonesty, whether by act or omission, including, but not limited to, cheating, plagiarism and knowingly furnishing false information to the University, are prohibited.’

All graded work must be your own (unless specified that working with others is acceptable). This includes all quizzes and exams. It is your responsibility to ensure that your behavior conforms fully to the spirit of the academic integrity statement. If you have any questions, do not hesitate to ask. Failing to do so will be taken seriously and result in a failure of the course. This will also be reported to the Dean.

Attendance:

Classroom attendance is highly encouraged. I will be in class on time, so the same is expected of you. In the rare event I am not, you are to give me 10 minutes (according to nist.time.gov). If I have not arrived by that time class is dismissed for the day. Also, please make sure to turn off all cell phones or other noise making devices during class.

<u>Grading:</u>	<u>EXAM</u>	<u>WEIGHT</u>
80% Exams:	First (In-Term 1)	15%
	Second (In-Term 2)	25%
	FINAL EXAM	40%
20% Quizzes, Homework, and In-class work:		<u>20%</u>
	Total:	100%

Grading scale:

As an idea of what you might expect, I tentatively offer the following, assuming a 79 average: (There will be no credit given post final exam.)

92-100 A, 90-91 A-, 86-89 B+, 82-85 B, 80-81 B-, 76-79 C+, 72-75 C, 70-71 C-,
66-69 D+, 60-65 D, <60 F

I say ‘tentatively’ because all curving of grades will be done by shifting the grading scale rather than adding points. As an example, if an average is 68 the grading scale would be:

88-100 A, 85-87 A-, 81-84 B+, 73-80 B, 70-72 B-, 66-69 C+, 58-65 C, 55-57 C-,
51-54 D+, 45-50 D, <44 F

Make-up exams:

Make-ups for the in-term exams will be given only with a legitimate excuse. If you present an excuse for one in-term exam, its weight is shifted to the other exams, or a make-up test will be taken before the test date. The final is required, no final = no pass.

Grades Finalized

All grades completed during the semester are to be finalized by the last day of class. This means that after the last day of the course, grades received throughout the semester can no longer be changed. This also means that after this date no credit, other than the final exam, will be given.

Quizzes, Homework, and In-class work:

There will be in-class and/or take-home quizzes along with work assignments given to do both at home and in-class. If it is a homework assignment you are working on, you may discuss ideas with people (including myself) but you must all turn in your own ideas. You are allowed one missed quiz (the weight will be shifted to the other non-exam assignments). If you miss more than one quiz I reserve the right to give you a zero on one or all missed quizzes. All quizzes are to be done on your own; I will notify you before at least half of the quizzes I give. All work and quizzes will be given throughout the semester as the class material warrants. Late work will lose one point a minute until its value is zero.

Work & Skills

The course applies basic Economic principles to issues in Money, Banking and Financial Markets. You will need a solid grasp of principles of Economics I and II (ECON 1402 and 1403) to understand the material. A principles text may be useful to refresh your memory from time to time. Basic math skills will also be applied in this course (addition, subtraction, multiplication and division). A calculator may be used, however it cannot be shared (if you want to use one on a test, be sure to bring your own). Calculators must be 4-function calculators, no business, graphing, or cell phone calculators (4-function means all it can do is add, subtract, multiple, and divide).

Important dates:

Last day to Add/Drop	January 20 th
First Exam	February 19 th
Withdraw date without consent	February 20 th
Withdraw date with consent	March 6 th
Second Exam (Mid-term)	March 26 th
FINAL EXAM	May 7 th , 6:30-8:30

<u>Week of</u>	<u>Topic</u>	<u>Chapter</u>
Jan 12 th	Syllabus – Intro	1
Jan 19 th	Financial System	2
Jan 26 th	Money	3
Feb 2 nd	Interest Rates	4
Feb 9 th		
Feb 16 th	(Exam)	
Feb 23 rd	Behavior of Interest Rates	5
Mar 2 nd	Risk and Structure of Interest Rates	6
Mar 9 th	SPRING BREAK!	
Mar 16 th	The Stock Market	7
Mar 23 rd	(Exam)	
Mar 30 th	Easter Break, No Class	
Apr 6 th	Financial Institutions	8-12
Apr 13 th	Central Banking and Monetary Policy	13-16
Apr 20 th	Foreign Exchange Market	17-18
Apr 27 th		
May 4 th	Final Exam	All

Note: If we move more quickly or more slowly through the material, we will cover it in the order listed above and will maintain the exam dates.