

Borough of Manhattan Community College
CITY UNIVERSITY OF NEW YORK
Business Management Department

Money and Banking
FNB 250 HONORS

Dr. Yanni Tournas

SYLLABUS

Course Description

This course is an analysis of the organization and operation of our financial system, including money and capital markets, commercial banking, and other financial institutions such as commercial finance companies. The relationship between financial and economic activity including monetary and fiscal policy is demonstrated.

Students are encouraged to understand and discuss how finance methods and monetary policy tools work within the overall economy framework so to enhance and maximize company profit, and the limitations associated with the external environment the firm is faced with.

The course material focuses on providing an analytic framework for understanding and analyzing the financial system and monetary policy implemented by the Federal Reserve. This course is the backbone course for a student team participating in the annual nationally respected College Fed Challenge academic competition sponsored by the Federal Reserve. The BMCC student team has repeatedly won the first place in the Maiden Lane Division competing against other 4-year colleges and universities colleges and being honored by the Federal Reserve Chair in Washington, DC. The course is regularly attended by students from Baruch College, Queens College, Hunter College, City College among other CUNY colleges.

The course assignments will be reading and analyzing recent articles from Wal Street Journal and NY Times oriented towards connecting the theoretical concepts presented in the lectures with industry applications and examples so to understand the workings of the finance and business world. It is expected that students will develop their critical skills in understanding, analyzing and solving real world finance and business problems and so to pursue successful careers in their respective professional fields.

I would recommend to you to review each week covered lecture topics consistently within a few days after the lecture and try to understand its connections with the previous topics as well its fit within the overall business framework. In that respect, reading and understanding the connections of the examples provided through the WSJ or NYTimes links associated topics is of utmost importance for understanding the course material and concepts.

To facilitate review of the lecture notes and assignments, they will be posted regularly on BlackBoard. Additionally, the recorded lectures will also become available soon after the lecture.

You are very encouraged and welcome to pose your questions regarding any concept or material presented.

Office Hours

TBA

Prerequisites/Co-requisites

Students must have passed ENG 095, ESL 095, ACR 094, MAT 051/012, FNB 100, and ECO 100, or ECO 201, or ECO 202.

Student Learning Outcomes

1. To develop a thorough understanding of the economic environment in which commercial banks must operate.
2. To comprehend the role of the Federal Reserve System in creating monetary policy designed to promote economic stabilization in furtherance of achieving the dual mandate of price level stability and maximum employment while assuring moderate long term interest rates and financial system stability

3. To develop a thorough understanding of the different important financial institutions and their functions as well as different types of financial instruments.
4. To develop a clear understanding of major issues of public policy in the monetary area and the interaction of monetary and fiscal policies.
5. To understand the short-run and long-run interactions of monetary policy with regard to unemployment, inflation, economic growth, fiscal policy, and exchange rate stability.

Upon completion of this course, the student should be able to:

1. Read and interpret economic and financial data and statistics. To be able to locate, organize, and incorporate substantial amounts of data into a presentation in order to create a comprehensive and coherent analysis designed to explain current and future economic and financial conditions.
2. Analyze current Federal Reserve monetary policy and forecast Federal Reserve monetary policy based on current economic conditions.
3. Understand and analyze developments in national economic policy and government regulations especially as to the effect on commercial banks and financial markets.

Optional Recommended Text & Readings

Ball, Lawrence S., *Money, Banking and Financial Markets*, Worth Publishing, 2nd edition (ISBN: 0-201-77035-0).

Other ONLINE Resources: New York Times, Wall Street Journal, Bloomberg News website, Stlouisfed.org, BLS.gov, World Bank

Evaluation & Requirements of Students

Final grades may be determined as follows:

1.	Class Quizz/Analysis of Financial Industry	15%
2.	Eleven weekly assignments	30%
3.	Midterm Examination	22%
3.	Final Examination	28%
4.	FED policy recommendation term paper	20%

Extra Credit: *College Fed Challenge* Competition Meeting Participation 5 %

Outline of Topics

<u>WEEK</u> <u>CHAPTERS</u>	<u>COURSE OUTLINE/</u>	<u>TEXTBOOK</u>
1	Foundations and Economic Objectives	1
2, 3	Government Objectives in financial markets, Productivity and Economic growth, Liquidity, Financial Assets, Bonds/Stocks/Cash	2
4	GDP, Inflation, Unemployment, Business Cycle	12, 14
5	Asymmetric Information	7
6	Monetary Institutions, Money Supply and Interest Rates	11, 15, 16
7	Monetary Policy and Exchange Rates	6, 17
8	First Examination – Quiz & Economic Article Analysis	
9	Banking Industry and The Business of Banking	8, 9
10	Asset Prices and Market Volatility	3

11	Asset Rate-of-Return and the Market for Money	4
12	Midterm Examination	
13	Securities Markets	5
14	Derivatives	5
15	REVIEW AND FINAL EXAMINATION	

Class Participation

Participation in the academic activity of each course is a significant component of the learning process and plays a major role in determining overall student academic achievement. Academic activities may include, but are not limited to, attending class, submitting assignments, engaging in in-class or online activities, taking exams, and/or participating in group work.

Academic Adjustments for Students with Disabilities

Students with disabilities who require reasonable accommodations or academic adjustments for this course must contact the Office of Services for Students with Disabilities (Room N320; Telephone # 212-220-8180). BMCC is committed to providing equal access to all programs and curricula to all students.

BMCC Policy on Plagiarism and Academic Integrity Statement

Plagiarism is the presentation of someone else's ideas, words or artistic, scientific, or technical work as one's own creation. Using the idea or work of another is permissible only when the original author is identified. Paraphrasing and summarizing, as well as direct quotations require citations to the original source. Plagiarism may be intentional or unintentional.

Lack of dishonest intent does not necessarily absolve a student of responsibility for plagiarism. Students who are unsure how and when to provide documentation are advised to consult with their instructors. The library has guides designed to help students to appropriately identify a

cited work. The full policy can be found on BMCC's web side, www.bmcc.cuny.edu. For further information on integrity and behavior, please consult the college bulletin (also available online).