

Please note: This is a preliminary syllabus and is subject to change. It provides useful introductory detail and additional course insight as you prepare for the application process.

FNCE 001: Introduction to Financial Markets and the Global Economy

Course Description & Objectives

This course aims to provide a timely framework to understand economic recessions and expansions and the financial markets' response to world events.

The COVID recession reduced the size of the world's economies and output. What does this mean? How is output connected to employment? How are exchange rates determined in global capital markets? We will introduce the policy options of government spending. We will discuss, as data become available, the continuing impact of the coronavirus on the domestic and the global economy.

Course Overview

This course is divided into 7 weeks. Course content is delivered via video lectures, synchronous class sessions and online assignments, discussions and exercises.

Course Materials

Online:

There are 2 Web-Components to this course. The course Canvas site will be the source for all class materials and assignments. The Homework Software will be MyEconLab.

Textbook and Readings:

Course Textbook: Hubbard and O'Brien, Economics, 8th edition, Published by Pearson.
Several readings from popular media articles to enforce what we learn in class (on Canvas)

Course Content & Schedule

Week 1 Introduction, How Markets Work, Chapter 3, Parts of Chapter 4

Week 2 Measuring Income, Chapter 18

Readings: How much income did countries lose in 2020? Analyze the global downturn.

Homework due at end of week, Quiz

Week 3 Measuring Unemployment, Parts of Chapter 19

Readings: What's the level of unemployment in late 2020, early 2021? Is an improving stock market necessarily an improving economy?

Homework due at end of week, Quiz

Week 4 Economic Growth, the Financial System and Business Cycles, Chapters 20 & 21

Readings: Ups and downs, properties of these cycles: When do recessions end, do bubbles always burst?

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Homework due at end of week, Mid-Term Exam

Week 5 Fiscal Policy, Chapter 26

Readings: Let's look at the US debt after the COVID stimulus.
Discussion: Idea that recovery efforts are vital but aren't cheap.

Homework due at end of week, Quiz

Week 6 Financial Markets and Open Economy, Chapter 28

Readings: Global connectedness of countries, Export and import relationships (focus on US and China), Trade balances

Homework due at end of week, Quiz

Week 7 Foreign Exchange Markets, Chapter 28

Readings: Currency unions, The problems the Eurozone faces with recessions

Homework due at end of week, Final Exam

Assessments & Grading

Students will be required to attend all synchronous class sessions. Your final score will be determined by your homework assignments, quiz, mid-term and the final exam grades, with the following weights:

| | % of total |
|------------------------------------|------------|
| 1. Homework (6 assignments) | 30 |
| 2. Quizzes | 15 |
| 3. Mid-Term Exam | 25 |
| 4. Final Exam | 30 |

Your lowest homework and quiz scores will be dropped, and final grades will be solely based on attainment, not on a curve.