

## **ECO3300. Monetary Economics and Banking**

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Credit Hours/Time Dedicated (per week): 3 credits/30 hours of time commitment (class time, reading, quizzes, studying)

Classroom/Time: Online course  
Prerequisites: None

### **Required Class Materials**

We are going to use an e-book and the **Connect** platform from McGraw-Hill. The textbook is:

Cecchetti, S. G. & Schoenholtz, K. L. *Money, Banking, and Financial Markets*. 6th Edition.  
McGraw Hill

**Students must buy the E-Book and Connect access through the link in Blackboard (click on Connect Registration).**

### **Course Description**

The course will give the students an understanding of the financial system's functions, structure, relationship to the real economy, and how monetary policy can be used to promote stability and growth. The fundamental principles of money and banking that the students will learn include the following: time has value, risk requires compensation, decisions require precise information, resource allocation tends to be optimal in a free market economy, and a stable economy improves a nation's citizenry.

### **Learning Outcomes**

1. The student will discuss the role of the financial system is, its structure, and its relationship with the real economy.
2. Students will calculate the present value of a future stream of payments.
3. The student will compute the price of bonds and other financial instruments.
4. Students will distinguish the Federal Reserve System different policy instruments.
5. The student will explain how the Federal Reserve System uses monetary policy to keep price stability and promote sustained and stable economic growth.

6. Students will differentiate between nominal and real exchange rates
7. The student would be able to explain how prices and inflation affect exchange rates in the long run.
8. Students should be able to discuss government intervention in foreign exchange markets.
9. The student will be able to debate over the importance of the value of time and information for decision-making
10. Students will explain the meaning of risk and how risks and compensation are related.

### Teaching Methods/Course Format

This is an online course. However, students are expected to complete all the assigned readings, pre-class activities, and homework before their respective deadline.

### Grading

2 online exams (midterm and final exam)	50% (25% each)
Smart book reading and quizzes	25%
Homework	25%

Each of the exams covers only the chapters studied during each part of the term. Each exam is composed of a mixture of definitions, multiple choice questions, short answer questions, math problems, and graphs.

All readings and quizzes assigned each week are due on Thursdays (before 11:59 pm CST) and homework are due on Sundays (before 11:59 pm CST). Each assignment is worth 100 points but if you submit it after the deadline you get 50% of your grade. In addition, at the end of the term, I will drop the two lowest scores from reading/quizzes and homework, respectively. This implies that you can skip up to 2 assignments of each group.

## Course Schedule

Chapter(s)	Topic	Chapter reading and quiz deadlines	Homework deadlines
	<b>Getting Started.</b> Read the syllabus and get familiar with both Blackboard and Connect platforms		05/29 <sup>th</sup>
	Introduction (May 29 <sup>th</sup> to June 2 <sup>nd</sup> )		
1 & 3	Introduction to Money, the Financial System (Markets and Institutions) and Financial Instruments	06/02	06/02
	First week (June 3 <sup>rd</sup> to June 9 <sup>th</sup> )		
4	Future Value, Present Value, and Interest Rates	06/06	06/09
5	Understanding Risk	06/06	06/09
	Second week (Jun 10 <sup>th</sup> to June 16 <sup>th</sup> )		
6	Bonds, Bond Prices, and the Determination of Interest Rates	06/13	06/16
10	Foreign Exchange	06/13	06/16
	<b>Midterm. Chapters: 3, 4, 5, 6, &amp; 10.</b>	<b>June 17<sup>th</sup></b>	
	Third week (June 17 <sup>th</sup> to June 23 <sup>nd</sup> )		
17	The Central Bank Balance Sheet and the Money Supply Process	06/20	06/23
18	Monetary Policy: Stabilizing the Domestic Economy	06/20	06/23
	Fourth week (June 24 <sup>th</sup> to June 30 <sup>th</sup> )		
20	Money Growth, Money Demand, and Modern Monetary Policy	06/27	06/30
21	Output, Inflation, and Monetary Policy	06/27	06/30
22	Understanding Business Cycle Fluctuations	06/27	06/30
	<b>Final exam. Chapters 17, 18, 20, 21, &amp; 22</b>	<b>July 3<sup>rd</sup></b>	

## Grading Policies and Procedures

If you find an error in the way you have been graded, please type up a written request for my consideration, and return it together with the problem or exam in question to me. Any exam or problem set grade change must be requested BEFORE THE LAST DAY OF CLASS.

Students who miss an exam please contact me within 24 hours to be eligible to receive a make-up assignment. Prof. Mora has discretion over the composition of any make-up exams.

### Grading scale

<b>Percent Range (Final Score)</b>	<b>Letter Grade</b>
100 - 90	A
89 - 89	B
79 - 70	C
69 - 60	D
59 and below	F

### Course Expectations

#### What you should expect from me

1. The instructor will treat each one of you with respect and as an individual with his/her own beliefs, thoughts, and needs.
2. The instructor will provide, when needed, communication with the class through announcements (video and text), email notifications, and virtual office hours.
3. The instructor will respond to emails within 24 hours of receipt during the hours of 9:00 am-6:00 pm, Monday-Friday.
4. The instructor will be available to answer questions from students during virtual office hours.
5. The instructor will grade assignments and projects according to the specific rubric within two weeks of the submission date.
6. The instructor will provide feedback to journals and discussion boards as needed every week.
7. The instructor will provide clear and concise instructions on how to complete the online course requirements or any other activity.
8. And, finally, but not less importantly, the instructor will not change the deadline for the assignments unless something of major force happens.

#### My expectations from students

1. Positive, proactive, or successful students should be diligent in using both oral and written communication showing respect for each one individual's opinion.
2. Positive, proactive, or successful students will familiarize themselves with the course syllabus, policies, assessments, evaluation, grading criteria, and course design.
3. Positive, proactive, or successful students will complete all coursework on the assigned due date.
4. Positive, proactive, or successful students will engage in the course, with their peers, and the instructor, and with open communication and active participation.

5. Students should respond to instructor communication requests regarding course progress and general inquiries on time.
6. Positive, proactive, or successful students will not plagiarize the work of others, or use the work of their peers and claim it as their own.
7. Positive, proactive, or successful students will use the American Psychological Association (APA) system of referencing when submitting a paper.
8. Positive, proactive, or successful students will pre-plan for testing situations and ensure they can access the internet to complete the exam during its assigned date and time.
9. Students will be proactive and resourceful to problem solve in case of internet or technical issues.

## Sul Ross State University Important Information

### 1. Official Communications

Official outside-of-class-meeting communications will be delivered to the students via their SRSU e-mail. Students are responsible to check their e-mail daily. Not having checked messages is not a valid excuse for missed course work. Communications can also be done by appointment. IT support regarding blackboard is listed in the image below.



Who should I contact?	
<b>Online Support Desk</b> ☎ 888.837.6055 ✉ blackboardsupport@sulross.edu <b>Available: 24/7</b> <ul style="list-style-type: none"><li>• Logging into Blackboard</li><li>• Questions about Blackboard tools/software</li><li>• Trouble with tests/quizzes/assignments</li><li>• Error messages on Blackboard</li><li>• Online course video problems</li></ul>	<b>Lobo Technology Assistance Center (LTAC)</b> ☎ 888.837.2882 ✉ techassist@sulross.edu <b>Available: Monday-Friday 8 a.m. - 5 p.m.</b> <ul style="list-style-type: none"><li>• Logging into your mySRSU/Banner/SRSU email</li><li>• Campus computer, computer lab, or campus Wi-Fi issues</li><li>• Security concerns with your SRSU or VPN account</li><li>• Questions about Office 365 or OneDrive</li></ul>

Or by clicking at <https://www.sulross.edu/bb/>.

### 2. Policy on Academic Misconduct

Please refer to:

[https://d1mg6ms3faonj.cloudfront.net/wpcontent/uploads/2020/09/student\\_handbook\\_2019-2020\\_revision\\_12.7.2020.pdf](https://d1mg6ms3faonj.cloudfront.net/wpcontent/uploads/2020/09/student_handbook_2019-2020_revision_12.7.2020.pdf)

Students should familiarize themselves with the SRSU Student Code of Conduct. Cheating, plagiarism, and/or other form of academic misconduct are NOT TOLERATED in class. Any student found guilty of such misconduct will be subject to disciplinary actions. Including, but not limited to, **zero** score on his/her class activities.

### 3. Special Needs

Sul Ross State University is committed to equal access in compliance with the Americans with Disabilities Act of 1973. It is the student's responsibility to initiate a request for accessibility services. Students seeking accessibility services must contact Mary Schwartz, M. Ed., L.P.C., in **Counseling and Accessibility Services**, Ferguson Hall, Room 112. The mailing address is P.O. Box C-122, Sul Ross State University, Alpine, Texas 79832. Telephone: 432-837-8691. E-mail: [mschwartz@sulross.edu](mailto:mschwartz@sulross.edu). **All medical information is treated confidentially.**