

University of Arkansas – Fort Smith
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General Syllabus

FINN 38103 Money, Banking and Financial Markets

Credit Hours: 3

Lecture Hours: 3

Laboratory Hours: 0

Prerequisite: FINN 37103 Business Finance and admission to the College of Business, or consent of the instructor

Effective Catalog: 2018-2019

I. Course Information

A. Catalog Description

A study of financial assets, financial intermediaries, money and capital markets and their impact on economic systems. Examines function and evolution of money, origin and development of depository institutions, economics and regulation of depository institutions, and functions of the Federal Reserve System.

II. Student Learning Outcomes

A. Subject Matter

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

1. Define the roles of the financial system and money.
2. Compare the similarities and differences among financial instruments, markets, and institutions.
3. Summarize the history and evolution of banking and its regulation in the U.S. as it relates to changing financial industry structure and information asymmetry.
4. Identify key assets and liabilities as well as strategies bank managers follow when facing many risks.
5. Discuss the many roles a central bank plays in an economy.
6. Explain the structure of the Federal Reserve System.
7. Interpret the monetary policy tools available for use by the Federal Reserve and the impact each has on the federal funds market.
8. Summarize the key regulators for U.S. depository institutions.
9. Explain the deposit and credit expansion process.
10. Differentiate between interest rate and monetary aggregate targeting procedures and discuss when the use of each is desirable.

B. University Learning Outcomes

This course enhances student abilities in the following areas:

Analytical Skills

Critical Thinking Skills - The student will demonstrate critical thinking skills by rationally and intuitively organizing information and applying technical principles and theories when analyzing real-world policy issues related to electronic currency adoption, banking regulation, financial institution management, and monetary targeting procedures.

Global and Cultural Perspectives

The student will be able to identify differences and similarities among monetary systems around the world.

III. Major Course Topics

- A. Role of Financial System and Money
- B. Overview of Financial Instruments, Markets, and Institutions
- C. Time Value of Money
- D. Understanding Risk
- E. Bonds and Interest Rate Determination
- F. Stocks and Market Efficiency
- G. Financial Intermediation
- H. Bank Management
- I. Financial Industry Structure
- J. Financial System Regulation
- K. Central Banking
- L. Structure of the Fed
- M. Central Bank Balance Sheet and Money Supply
- N. Monetary Policy