



**University of Benha
Faculty of Commerce**

**Module outline of:
Economics E216
Economics of Money & Banking**

Lecturer Dr. Walaa Wageh Diab

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Academic year: 2021-2022

Grade: 2rd

First term

1- Basic Information			
Course Level: 1	Course Title: Economics of Money & Banking	Course Code: E216	Prerequisite: Principles of Micro & Macro-Economics
Specialization: General			
Contact Hours			
<ul style="list-style-type: none"> Lecture: 3 hours per week Tutorial: 1 hour per week Lectures will be used for lecturing and tutorials will discuss the answers of questions sheets. Lecture each Monday at 9 A.M			

2- Specialized Information	
2.1. Course Aim/s	<p>This course has three primary goals. First we will study the abstract concept of money in theory, in history, and in recent financial data. For instance, we will address why fiat currency (an intrinsically worthless piece of paper) is valued and serves a key purpose in the functioning of markets. Next we will turn to the role of banks in the economy. We will cover the historical purpose of banking (taking deposits and making loans) and then turn to the vastly more complex banking landscape today. We will cover the shadow banking industry and its role in the 2007 financial crisis and recession. Finally, we will combine the first two sections and study the role of the central Banks / in managing monetary policy and overseeing the banking system. We will cover the traditional monetary policy tools central bank has historically used, but pay special attention to the highly publicized and unconventional policy tools employed during the financial crisis.</p> <p>Course Objectives:</p> <ol style="list-style-type: none"> 1. Identify functions of money and how money is related to interest rates; how interest rates are determined; behavior of interest rates; risk and term structures of interest rates; 2. Understand importance of financial markets and financial institutions in the economy; operations of depository institutions; why they are regulated; 3. Explain how a nation's money supply is determined; tools of monetary policy, role of central banks and the Federal Reserve System, conduct of monetary policy.

3- Intended Learning Outcomes:	
By the end of the course, students should be able to:	
3.1. Knowledge and Understanding:	(K1) Advance student understanding of the role of the central bank and how monetary policy. (K2) Learn about the functions of money, why and how it promotes economic efficiency, and discover how its form has evolved over time. (K3) Gain a better understanding of how changes in interest rates affect consumers, businesses, financial institutions, and the overall economy

	(K4) Understand how foreign exchange markets operate and why exchange rates are important, and the main factors that affect exchange rates in the long run
3.2. Intellectual Skills:	(I1) Advance your understanding of how financial systems around the world contributed to the decade-old global financial crisis and great recession
3.3. Professional and Practical Skills:	(P1) Apply course concepts to real-world and hypothetical economic shocks and conduct economic research and analysis
3.4. General and Transferrable Skills:	(G1) Communicate effectively through written reports, oral presentations and discussion. (G2) Adopt the economic analysis that was taken before to integrate knowledge in this subject.

4- Course Content

	Main Topic	Chapter No	Teaching hours		Week No.
			Lecture	Tutorial	
1	Course Introduction and Overview <ul style="list-style-type: none"> Discuss Course Syllabus What is Money? Assignment #1: What is Money? Choose a recently introduced retail payment instrument (e.g., PayPal, Bitcoin, Apple Pay, etc.) and determine if it should be considered 'money.'	1&3	3-hour Face to Face		1
2	The Meaning of Interest Rates	3	3-hour Face to Face	1 hour	2
3	Quantity Theory of Money	4 19	3-hour Face to Face	1 hour	3
4	- The Behaviour of Interest Rates - The Risk and Term Structure of Interest Rates Assignment #2: Determine the properties of a stock market bubble	5/6	3-hour Face to Face	1 hour	4
5	The Stock Market, Rational Expectations, Efficient Market Hypothesis Assignment #3: Determine the properties of yield curves	7	3-hour Face to Face	1 hour	5
6	An Economic Analysis of Financial Structure	8	3-hour Face to Face	1 hour	6
7	Banking and the Management of Financial Institutions Banking Industry Financial Crises	9 11 12	3-hour Face to Face	1 hour	7
8	Central Banks Money Supply Process	13 14	3-hour Face to Face	1 hour	8
9	Tools of Monetary Policy	15	3-hour Face to Face	1 hour	9
10	The Conduct of Monetary Policy: Strategy and Tactics	16	3-hour Face to Face	1 hour	10
11	The Foreign Exchange Market	17	3-hour Face to Face	1 hour	11
12	Monetary Policy Theory	23	3-hour Face to Face		12

5- Teaching and Learning Methods:		
No.	Teaching / Learning Method	Selected Methods
1	Interactive Lectures including discussion	√
3	Tutorials	√
4	Self-Study (Project / Reading Materials / Online Material /	√
5	Seminars	
6	Case Studies	√
7	Problem Solving	√
3	Others (Specify)	

6- Assessment Methods, Schedule and Grade Distribution:				
No.	Assessment Method	Selected Methods	Week No.	Marks %
1	Midterm Exam (s)	√	8	20
2	Final Exam	√	15	80
3	Quizzes			
4	Assignments			
5	Presentations			0
6	Individual Projects			
7	Research and Reporting			
8	Teamwork Projects			0
10	Others (Participation)			

7- University Grading system	
34 or below	Very poor
35-49	Poor
50-64	Pass
65-79	Good
80-89	Very good
90-100	Excellent

8- List of Books and References:	
Essential Textbook	Mishkin (2017), The Economics of Money, Banking and Financial Markets, twelfth edition (different editions will have different numbers of chapters)
Course Notes	Notes will be distributed to the students throughout the semester via faculty channel and instructor web page in university portal.
Extra Recommended Books	Will be shared later

9- Tools and Facilities Required for Teaching and Learning:	
Facility	Lecture
White Board	√
PC/Laptop	
Data-Show	√
Laser Pointer	

9- Tools and Facilities Required for Teaching and Learning:	
Facility	Lecture
Internet	√
Printer	
Copier	√

10- Plagiarism Policy:
<p>Plagiarism, in the school's jargon called "copying and pasting", is the intentional act of replicating someone else's work (be it text, ideas, images, or any non-common knowledge) without referring to the source. One can also self-plagiarize through submitting his/her own work to more than one course without clearly notifying the professor.</p> <p>Students submitting paper/assignment/presentation with plagiarized content will automatically receive a failing grade for their work.</p> <p>Refer to the instructor for more information about how to avoid plagiarism.</p>

Course Instructor: Dr. Walaa Wageh Muhamed Diab