

GRANDE PRAIRIE REGIONAL COLLEGE
DEPARTMENT OF ART EDUCATION & COMMERCE

EC 3410

MONEY AND BANKING

INSTRUCTOR:	EBBY ASLANI	WINTER, 1997
OFFICE:	C 423	
PHONE:	539 2973	
OFFICE HRS:	Mon., Wed., Fri. 12:00 - 1:00	
	Or by Appointment	

I COURSE OBJECTIVE:

This course is designed to introduce students to the significance of money and credit, financial intermediation, commercial and central banking, and monetary policy in the Economic Process. Emphasis will be placed on the Canadian economy and the policy of Bank of Canada, low rate of interest at the end of 1996 in order to stimulate the economy.

* * EC 201 and EC 202 are prerequisites.

II TEXTBOOK:

Money, Banking and The Canadian Financial System, Sixth Edition; H. H. Binhammer, Nelson Canada, 1993.

Other References:

The Economics of The Canadian Financial System, R.A. Shearer, J.F. Chant and D.E. bond, Prentice-Hall, 1995.

Orientation to Banking, ; Institute of Canadian Bankers J. Cspes and T. E. Raynor, Prentice-Hall, 1989.

Articles:

Buckle, L. "The 'Four Pillars'," The Canadian Banker, Vol. 92, No. 1, Feb. 1985, PP. 14-18.

Canadian Banker, "Responding to the Public Interest Vol. 92, No. 5, Oct. 1985, PP 6-11.

Carr, J. and Turubull, S., "Regulations and the Green Paper," The Canadian Banker, Vol. 92, No. 5, Oct 1985, pp. 12-15.

The suggested articles are generally considered to be an important and helpful approach to student understanding of text materials. You will find them under reserved section in library.

III STUDENT EVALUATION:

Grade will be assigned on the basis of student performance in the following:

Assignment	Friday	Feb. 14	20%
Presentation	<i>date will be determined for each student</i>		20%
Mid-Term Exam #I	Friday	Feb. 14	30%
Mid-Term Exam #II	Wed.day	April 9	30%
Total			100%

IV GRADE DETERMINATION:

All grades are first recorded as percentages. After the final exam, the weighted average (.2 assignment, .2 presentation, .2 mid-term and .4 final exam) of the percentages will be converted to the college nine-point system. The final grades are not determined with reference to any curve.

V COURSE OUTLINE:

Unless otherwise stated, all chapter references are made with respect to H. H. Binhammer, Money, Banking and The Canadian Financial System.

A. Introduction:

1. The Function & Evaluation of Money Ch. 1
2. Money & the payment System Ch. 2, 3

B. Financial Markets:

1. An Introduction To The Flow of Funds Ch. 4
2. Financial Assets Ch. 5
3. The Level & Structure of Interest Rate Ch. 6
4. Financial Markets Ch. 7

C. Financial Intermediation:

1. Financial Intermediation Ch. 8
2. Intermediation & The Creation of Money Ch. 9
3. Risk & Risk Management Ch. 10
4. Regulation of Financial Intermediation Ch. 11

D. The Canadian Banking System:

1. The Chartered Banks Ch. 13

2.	The Near Banks	Ch. 14
3.	Other Financial Institutions	Ch. 15
E.	<u>Bank of Canada & Monetary Policy :</u>	
1.	Central Banking	Ch. 16
2.	Monetary Policy & Its Objectives	Ch. 17
3.	Monetary Control	Ch. 18, 19
4.	Determination of the Monetary Base:	Ch. 20
F.	<u>Money & Monetary Policy:</u>	
1.	The Demand For Money	Ch. 21
2.	The Quantity Theory of Money	Ch. 22
3.	The Keynesian View	Ch. 23
4.	Equilibrium in Money Market	Ch. 24
5.	Equilibrium in Money & Product market	Ch. 25
6.	Output, Price & Inflation	Ch. 26
7.	Is Monetary Policy Effective	Ch. 27
9.	Canadian Monetary Policy: A Review	Ch. 35
G.	<u>Money & the International Economy</u>	Ch. 28-34

VI NOTES:

1. It is strongly advisable that the appropriate chapters are read prior to each lecture.
2. Failure to withdraw from the course before the official withdrawal deadline may result in an "F" grade
3. Absence from class will not be accepted as a legitimate reason for failure to submit an assignment or to attend an exam on time.
4. Students are advised to consult the academic schedule, published in the College Calender, as to the dates set aside for the scheduling of final exams and not to make plans for travel, holidays, employment, etc. which would affect their availability to write an exam on any of those days until the final exam schedule is determined.
5. Students are encouraged to contact the instructor regarding any questions pertaining to course materials or their performance in the course. remember that your instructor is here to help you learn, not to make things hard for you. It is a great pleasure to see you in the office for consultation and discussion whenever you feel the need.