



**Grande Prairie Regional College
Department of Business**

**EC3410: 3 (3-0-0) Money and Banking
Course Outline**

Fall 2010

INSTRUCTOR: Jeff Nutting
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PREREQUISITE(S)/COREQUISITE: EC 1010 and EC 1020 or equivalent

TEXT BOOK:

Binhammer and Sephton
Money Banking and the Canadian Financial System, 8th Edition Nelson, 2001.
Mishkin and Serletis
The Economics of Money, Banking and Financial Markets, 4th Canadian Pearson, 2011

CALENDAR DESCRIPTON:

The course explores the analysis of money and credit in the exchange process; the savings-investment process; commercial banking; financial intermediaries; financial markets; central banking.

CREDIT/CONTACT HOURS: (3-0-0) UT 45 Hours

DELIVERY MODE(S): Lecture and moodle (optional)

COURSE OBJECTIVES:

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 the Bank of Canada.

TRANSFERABILITY: UA, UC, UL, AU*, AF, CU, CUC, KUC

Block transfer post-diploma agreements have been made with the following institutions: Athabasca University (including GPRC on-campus AU 2+1 and 2+2 Bachelor of Management degree), University of Lethbridge, Lakeland College, Okanagan College, Thompson Rivers' University and Royal Roads University. Students intending to transfer to a post-secondary institution to take advantage of a transfer opportunity are advised to check with the appropriate college/institute for the latest transfer information as acceptance of transfer courses is at the discretion of the receiving college.

A grade of D or D+ may not be acceptable for transfer to other post-secondary institutions. Students are cautioned that it is their responsibility to contact the receiving institution to ensure transferability.

GRADING CRITERIA

Grades will be assigned on the basis of student performance as follows:

Presentation date for individual students determined	20%
Exam One	20%
Exam Two	20%
Exam Three	20%
Final Examination	20%

EXAMINATIONS, STUDENT RESPONSIBILITIES AND GRADE DETERMINATION

Grades are first recorded as percentages. After the last exam, the weighted average of the percentages will be converted to the college four-point system according to the following table:

Letter Grade	Grade Point Value	Percentage Range	Description
A+	4.0	90-100	Outstanding
A	4.0	85-89	<i>Excellent</i>
A-	3.7	80-84	
B+	3.3	76-79	
B	3.0	73-75	<i>Good</i>
B-	2.7	70-72	
C+	2.3	67-69	
C	2.0	64-66	<i>Satisfactory</i>
C-	1.7	60-63	
D+	1.3	55-59	
D	1.0	50-54	<i>Minimal Pass</i>
F	0.0	Below 50	Fail

Note: Students must achieve the full minimum percentage amount to be awarded the corresponding grade point value. The final exam will be scheduled in location and date by GPRC student services. The instructor reserves the right to use electronic plagiarism detection services.

PLAGIARISM AND CHEATING

Please refer to pages 49-50 of the College calendar regarding plagiarism, cheating and the resultant penalties. These are serious issues and will be dealt with severely.

COURSE SCHEDULE AND OUTLINE:

1.	Why money and banking	Ch. 1
2.	Money, monetary standard and payment systems	Ch. 2
3.	The flow of funds and intertemporal consumption	Ch. 3
4.	Financial assets, their nature, price and yield	Ch. 4
5.	The level and structure of interest rates	Ch. 5
6.	Financial markets	Ch. 6
7.	Exchange rate and international payments systems	Ch. 7
8.	Financial intermediation	Ch. 8
9.	Intermediation and the creation of money	Ch. 9
10.	Risk and risk management	Ch. 10
11.	Regulation of financial intermediaries	Ch. 11
12.	The Canadian banking system	Ch. 12
13.	The chartered banks	Ch. 13
14.	The near banks	Ch 14
12.	Other financial institutions	Ch. 15
13.	Bank of Canada monetary policy and its objectives	Ch. 16
14.	Monetary control and central bank instruments	Ch 17
15.	The implementation of monetary policy	Ch 18
16.	The demand for money	Ch 19
17.	The role and effectiveness of monetary policy	Ch 20
18.	Money and the international economy	Ch 21-24

(Mishkin and Serletis Chapters 1 to 12, 15 to 20)