

**Money, Banking and Financial Markets**  
**FIN 312 01E**  
**Spring 2025**  
**Meets 1/13/2025 through 5/9/2025**  
**BA 243 TR 2.00-3.15 pm**  
**Syllabus**

Instructor: Srinivas Nippani, PhD.

Meeting Time: The course will be based on class lectures and face-to-face sessions (usually with PowerPoint and/or calculator) for each chapter. I encourage you to work on homework problems given in Content. I answer my email quickly, usually within a day or two at most except on weekends. We will meet in class in the classroom given above regularly. I encourage you to ask me questions by email also in addition to in-class.

Office: BA 229 (Texas A&M Commerce)

Office Phone: 903-886-5659 (Secretary). I have no direct line. The best way to reach me is by email. All emails must contain "FIN 312 01E" in the subject line and be sent from your myLeo accounts.

Office Hours: Tuesdays and Thursdays from 9-10.30 am and from 3.30 to 4.30 pm and online by appointment.

Fax: 903-468-3216

Email: [Sri.Nippani@tamuc.edu](mailto:Sri.Nippani@tamuc.edu)

Course Description: FIN 312: Money, Banking, and Financial Markets, 3 semester credit hours. This course provides examines the role of financial institutions and interest rates, and financial instruments in the money, bonds, stock, foreign exchange, and other markets. It also focuses on the role of Central Banks (Federal Reserve) and the goals, tools, and impacts of Monetary Policy.

Prerequisites: Grade of C or higher on Eco 2301 and 2302, Principles of Macro and Microeconomics, and MATH 176/1325, Business Math II.

Course Objectives: The successful completion of this course will enable students to 1. Understand the nature and role of institutions in the financial system. 2. Understand the various types of markets and instruments transacted in the financial system. 3. Calculate the yield of various financial instruments. 4. Understand the factors that influence the determination of interest rates and their term structure. 5. Understand the role and function of central banks in general and of the Federal Reserve System in particular. 6. Understand the instruments, purposes / objectives, and effectiveness. 7. Understand the nature of the foreign exchange markets, the determination and impact of currency exchange rates, and the forms of policy intervention to influence exchange rates. 8. Understand the interconnectedness of financial markets in our global economy.

Textbook and other materials required:

1. Financial Markets and Institutions by Frederic S. Mishkin and Stanley G. Eakins 10<sup>th</sup> edition. ISBN-13: 9780138043681. (Please do not buy the 9<sup>th</sup> edition. It is

- very old).
2. A Good Financial Calculator. I strongly recommend the Texas Instruments BA II Plus Professional calculator and my explanations will be based on this calculator in the class.
  3. The Wall Street Journal (recommended)

Attendance, Course Requirements, Assignments, and Grading

**Students taking the course are expected to attend the face-to-face sessions and to check their email at least once a day, ideally more times.** The course will cover the textbook and other material presented in class. I prefer students not to miss listening to any lectures. Some material that is not part of the book will be used in class. I expect students to check their emails at least once a day. I reserve the right to penalize students for over three absences in the semester. **All announcements will be made using email or in class. I expect you to know all announcements within 24 hours of receiving the email.** The grading is based on the following scale:

(Mid-Term) Exam 1	100 points
(Mid-Term) Exam 2	100 points
Final Exam on December 15 between 1.15 and 3.15 pm	100 points
LinkedIn Course <u>Required</u> : (Business Math on/before March 31, 2025) <sup>1</sup>	10 points
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<b>Total (counting the highest of the two mid-terms, final and LinkedIn)</b>	<b>210 points</b>

**All exams are to be taken in class. I will drop the lower of the two scores on the first two Mid-Term exams in determining the final grade. If you miss a mid-term exam, that will be your dropped grade. You cannot miss the final.** My exams will be based on the material covered in class. For each student, the total points will be added up and converted to a percentage at the end of the semester to decide the final grade. The following scale will be applied to decide the final grade for students: 90 and above A grade, 80-89.99%: B grade, 70-79.99%: C grade, 60%-69.99%: D grade, and below 60%: F grade. I will try to adhere to the above grading scale, but I reserve the right to deviate from it. My exams are normally of multiple choices and you can use a calculator on them. No student will be given an opportunity to make up for an inadequate performance on an exam, and make-up exams will be given for only medical reasons. Makeup exams are likely to be essay-type and definitely will not be given online.

Tentative Course Schedule

Please see the Schedule below. **I reserve the right to deviate from this schedule.** Only a part of the material will be used in some of the chapters. I reserve the right to change anything in the syllabus if I feel it is necessary.

**Chapters to be covered in the course in order of 1-6, 9-14**

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<sup>1</sup> The Business Math Course on LinkedIn can be done in your course D2L page. Please use that and it needs to be taken on or before March 31, 2025 for getting credit.

**While one of the mid-terms is optional, the final is compulsory.**

Why Study Financial Markets and Institutions (Chapter 1)

Overview of the Financial System (Chapter 2)

What do Interest Rates Mean and What Is Their Role in Valuation? (Chapter 3)

Why Do Interest Rates Change? (Chapter 4)

**February 6<sup>th</sup> or 10<sup>th</sup> (tentative): Mid-Term Exam 1 on chapters 1, 2, 3 and 4**

How do Risk and Term Structure Affect Interest Rates? (Chapter 5)

Are Financial Markets Efficient? (Chapter 6)

Central Banks and the Federal Reserve System ((Chapter 9)

Conduct of Monetary Policy ((Chapter 10)

**March 20 (tentative): Mid-term Exam 2 on chapters 5, 6, 9 and 10**

The Money Markets (Chapter 11)

The Bond Market ((Chapter 12)

The Stock Market (Chapter 13)

The Mortgage Markets (Chapter 14)

**May 6<sup>th</sup>, 2025: 1.15 pm and 3.15 pm: Final Exam over chapters 9-14.**

**Please note that some chapters from the second mid-term are also included in the final.**

**While one of the mid-terms is optional, the final is compulsory.**

**Important Events of Interest:**

- Career Fair on February 12th is Sam Rayburn Center
- Resume Workshop on January 27th from 12:00 to 2:00 in BA 246 (Finance Lab).
- Business to Industry is April 11th in Sulphur Springs.

**A Good Way to Succeed: Work on class problems. Attend class and try to do your best by using the homework to help you prepare yourself.**

**Academic Misconduct: Cheating will not be tolerated in this class. Please remember that this is a junior-level class and you are graded against each other. By giving someone answers to exam questions helps neither you nor them. If I catch someone cheating, I will deal with that in accordance with the policies of the Texas A&M University-Commerce. **I will give an “F” grade to any student who cheats or encourages cheating and will do my best to get them expelled from the University.****

**An Important Note:**

Tenets of Common Behavior statement: All students enrolled at the university shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. (See current Student Guidebook);

**Students with Disabilities:**

Students with Disabilities information: The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with

disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact: Office of Student Disability Resources and Services, Gee Library, Room 162 (903) 886-5150 or (903) 886-5835 phone (903) 468-8148 fax  
Email: Rebecca.Tuerk@tamuc.edu

### **Nondiscrimination Statement**

Nondiscrimination notice: A&M–Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

### **Campus Concealed Carry**

Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations. For a list of locations, please refer to ((<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>) and/or consult your event organizer). Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

### **Important Information about Counseling Center**

**The Counseling Center at A&M-Commerce, located in the Halladay Building, Room 203, offers counseling services, educational programming, and connection to community resources for students. Students have 24/7 access to the Counseling Center’s crisis assessment services by calling 903-886-5145. For more information regarding Counseling Center events and confidential services, please visit [www.tamuc.edu/counsel](http://www.tamuc.edu/counsel)**