

Money, Banking, and Financial Markets
FIN 312 01W
Summer 1, 2025
Meets 6/2/2025 to 7/3/2025
Syllabus

Instructor: Srinivas Nippani, PhD.

Classroom: Online Class

Meeting Time: The course will be based on live (once a week) and/or recorded video lectures and D2L sessions (usually on PowerPoint and/or calculator). Once you listen to the live/recorded lectures I post every week, I encourage you to work on the homework problems given in the Content. Please note that we must cover about four chapters weekly, as this is a summer session. I answer my email quickly, usually within a day or two, except on weekends. I encourage you to ask me questions by email. **We will also meet live every Wednesday morning at 9.30 am in D2L so that I can go over some important chapter parts (of math mainly) for the week.** I fully understand if you cannot attend any lecture live and can only listen to the recording because of work or time conflicts with other commitments. There is no need to inform me if you cannot attend a session, if you listen to the recording within a day or two. The D2L is your opportunity to have a live and interactive session with me and to check and extend what you are learning.

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 01W" in the subject line and be sent from your myLeo accounts.

Office Hours: online by appointment.

Fax: 903-468-3216.

Email: 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 in 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:

*Financial Markets and Institutions by Frederic S. Mishkin and Stanley G. Eakins
10th edition. ISBN-13: 9780138043681. (Please do not buy the 9th edition. It is very old).

*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.

*The Wall Street Journal (recommended)

Attendance, Course Requirements, Assignments, and Grading

Students taking the course are expected to listen to all recorded presentations, attend the live Zoom sessions, and check their email at least once a day, ideally multiple times.

The course will cover the textbook and material presented in class. I prefer that students not miss listening to any recorded lectures. Some material not part of the book will be used in the recordings. In summer classes, I expect students to check their emails at least once daily.

All announcements will be made using email or on the course announcements page. I expect you to know all announcements within 24 hours of receiving the email.

Whenever I post a lecture, I will send an email/post an announcement. I encourage you to listen to my recorded lectures several times. Also, use only Chrome to access the class, never Explorer. The grading is based on the following scale:

(Mid-Term) Exam 1	100 points
(Mid-Term) Exam 2	100 points
Final Exam	100 points
Total (counting the highest of the two mid-terms and final)	200 points

What you can use on exams: Textbook, scrap paper and calculator, Excel and any other notes you made.

What you cannot use on exams: the help of another person.

All exams are to be taken on Online on the course website in D2L. I will drop the lower of the two scores on the 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. Since this is an online class, you can use a textbook, any notes you make, calculator and excel on the exams. The exams are not proctored. However, the exams are designed for speed and accuracy. 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 some of the material will be used in the chapters. I reserve the right to change anything in the syllabus if I feel it is necessary. In summer, most lectures are pre-recorded except for review classes.

Tentative Dates for Review Classes: All review classes will be on Wednesday mornings at 9.30 am in Zoom on D2L.

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

June 13-14: 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)

June 22-23: 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)

June 30-July 1: Final Exam over chapters 9-14.

Please note that some chapters from the second mid-term are also included in the final. All lectures are live on Zoom are recorded (and posted) and pre-recorded ones will be posted and available on the course website.

Please note that all Exams are posted in the Course D2L Website. While one of the mid-terms is optional, the final is compulsory.

A Good Way to succeed is to work on class problems, attend class, and try to do your best, using the homework to help you prepare.

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