Economics 190.002
“Financial Market Behavior…and Misbehavior”
FALL 2017
T/Th 8:30-9:45am
Classroom: Rich 211

Instructor: Prof. Caroline Fohlin
E-mail: caroline.fohlin@emory.edu
(Include “Econ 190” in your message header)

Office Hours: Tues 10-11:30am and by appointment
Office: 306D Rich

Course description: We will study how financial markets work, why they sometimes don't work, and how the government tries to get them to work better. We will discuss the differing roles of a variety of asset classes—from stocks and bonds to derivatives and mortgages—and compare them to alternatives, such as art or wine. Based on a combination of historical events and current headlines, we will explore how markets determine prices and how market functioning hinges on trust and information transparency. We will also investigate the impact of rules and regulations put in place by exchanges themselves and by the government.

Readings/Videos: Course assignments are provided on Canvas. There is no required textbook.

Attendance: Attendance in class is crucial, and you are expected to attend every class. If you have to miss a class for an excusable reason, please let me know before that class. Please do not make travel arrangements that will cause you to miss class or the final exam. If you cannot make class because you are ill or injured, please email me before class.

- Food: Please eat breakfast before coming to class (ie, no food in class). You will be able to learn better if you eat something beforehand.
- Phones: Please ensure that your phone is powered off or muted and put away in your bag for the duration of class. If I see you operating a phone during the class period (including texting or browsing) I will ask you to leave class.
- Computers: Computers are not allowed to be used in class, unless I ask you to do so. You should take notes with paper and pen/pencil. Please bring a spiral notebook with perforated pages or a 3 ring binder with loose-leaf paper.
- Recording devices: Please do not record class without explicit permission from me.

Homework: I will assign readings and various documentaries (audio and video) via Canvas. You may work with others on homework unless I indicate otherwise for a particular assignment.

Grading: Students will be graded based on participation in class activities (50%) and homework assignments and presentations (50%).
Contacting me: I am looking forward to getting to know all of you. You should see me after class or come to my office hours in order to discuss anything related to the course. If you cannot make it to my office hours, you may schedule an appointment by emailing me at least a day ahead of when you want to see me. You must include “Econ 190” in the subject header of your message to ensure that I see your message and can therefore reply. I receive dozens of messages each day, so I can easily miss a message if it does not get filtered to my class mailbox. If you do not receive a reply from me within 24 hours, you should check that you used the right subject header.

Class schedule:

<table>
<thead>
<tr>
<th>Week</th>
<th>Tues</th>
<th>Thurs</th>
<th>Topic</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>8/24/17</td>
<td>Intro to the course</td>
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<td></td>
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<td>Overview of the financial system; Properties and Pricing of Financial Assets</td>
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<td>2</td>
<td>8/29/17</td>
<td>8/31/17</td>
<td>Interest rates; Fed and monetary policy</td>
</tr>
<tr>
<td>3</td>
<td>9/5/2017</td>
<td>9/7/2017</td>
<td>Interest rates; Fed and monetary policy</td>
</tr>
<tr>
<td>4</td>
<td>9/12/2017</td>
<td>9/14/2017</td>
<td>Primary and secondary markets for financial assets</td>
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<td>Regulation of financial markets--pros and cons and politics; in-class debate</td>
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<tr>
<td>5</td>
<td>9/19/2017</td>
<td>9/21/2017</td>
<td>FALL BREAK (Tues); catch up (Thurs)</td>
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<tr>
<td>6</td>
<td>9/26/2017</td>
<td>9/28/2017</td>
<td>Mortgages and MBS etc</td>
</tr>
<tr>
<td>7</td>
<td>10/3/2017</td>
<td>10/5/2017</td>
<td>Risk v. reward + stock v. bonds (asset allocation)</td>
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<td>8</td>
<td>10/10/2017</td>
<td>10/12/2017</td>
<td>Asset pricing and market efficiency</td>
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<td>10/17/2017</td>
<td>10/19/2017</td>
<td>Financial crisis</td>
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<td>10/24/2017</td>
<td>10/26/2017</td>
<td>Financial crisis</td>
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<tr>
<td>10</td>
<td>10/31/2017</td>
<td>11/2/2017</td>
<td>Intro to derivatives--options and futures</td>
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<tr>
<td>11</td>
<td>11/7/2017</td>
<td>11/9/2017</td>
<td>Current issues in financial markets</td>
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<tr>
<td>12</td>
<td>11/14/2017</td>
<td>11/16/2017</td>
<td>Student presentations</td>
</tr>
<tr>
<td>13</td>
<td>11/21/2017</td>
<td>11/23/2017</td>
<td>Student presentations; THANKSGIVING</td>
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<tr>
<td>14</td>
<td>11/28/2017</td>
<td>11/30/2017</td>
<td>Student presentations</td>
</tr>
<tr>
<td>15</td>
<td>12/5/2017</td>
<td>12/7/2017</td>
<td>Wrap up</td>
</tr>
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**Honor Code:** I expect all students enrolled in the course to abide by the Emory Honor Code. I take honor code violations EXTREMELY seriously. Please do not come even a little bit close to violating any of its stipulations. Details can be found at [http://college.emory.edu/home/academic/policy/honor_code.html](http://college.emory.edu/home/academic/policy/honor_code.html)

Please note in particular the discussion of academic misconduct:

**ARTICLE 4: ACADEMIC MISCONDUCT**

Academic misconduct is an offense generally defined as any action or inaction which is offensive to the integrity and honesty of the members of the academic community. This offense includes, but is not limited to, the following:

(a) Seeking, acquiring, receiving, or giving information about the conduct of an examination, knowing that the release of such information has not been authorized:

(b) Plagiarizing;

(c) Seeking, using, giving, or obtaining unauthorized assistance or information in any academic assignment or examination;

(d) Intentionally giving false information to professors or instructors for the purpose of gaining academic advantage;

(e) Breach of any duties prescribed by this Code;

(f) Intentionally giving false evidence in any Honor Council hearing or refusing to give evidence when requested by the Honor Council.
Office for Undergraduate Education – Information for Syllabus

- The Office for Undergraduate Education (OUE) central office is located in White Hall 300
- Please visit or call 404.727.6069 with questions about academic affairs, concerns or policies.
- All Emory College of Arts and Sciences policies may be found in the College Catalog: http://college.emory.edu/home/academic/catalog/index.html

Academic Advising and Class Deans
If you have any academic concerns or questions about Emory College of Arts and Sciences policies, you should first meet with an OUE academic adviser. If an academic adviser is unavailable to meet with you, you may meet with an OUE dean during open hours.

- OUE Academic Adviser appointments: Visit White Hall 300 or call 404.727.6069
- Deans’ Open Hours: http://college.emory.edu/home/administration/office/undergraduate/hours.html

Academic Support
There are a range of resources available to Emory undergraduates designed to enrich each student’s educational experience.

- Visit http://college.emory.edu/advising for a list of support programs and appointment directions

Access and Disability Resources
Students with medical/health conditions that might impact academic success should visit Access, Disability Services and Resources (ADSR formerly the Office of Disability Services, ODS) to determine eligibility for appropriate accommodations. Students who receive accommodations must present the Accommodation Letter from ADSR to your professor at the beginning of the semester, or when the letter is received.

Attendance Policies (Absences and Absences from Examinations)

- Absences: Although students incur no administrative penalties for a reasonable number of absences from class or laboratory, they should understand that they are responsible for the academic consequences of absence and that instructors may set specific policies about absence for individual courses.
- Absences from Examinations: A student who fails to take any required midterm or final examination at the scheduled time may not make up the examination without written permission from a dean in the Office for Undergraduate Education. Permission will be granted only for illness or other compelling reasons, such as participation in scheduled events off-campus as an official representative of the University. A student who takes any part of a final examination ordinarily will not be allowed to defer or retake that final. Deferred examinations must be taken during the student’s next semester of residence by the last date for deferred examinations in the academic calendar or within twelve months if the student does not re-enroll in the college. Failure to take a deferred examination by the appropriate deadline will result automatically in the grade IF or IU.

Honor Code
Upon every individual who is a part of Emory University falls the responsibility for maintaining in the life of Emory a standard of unimpeachable honor in all academic work. The Honor Code of Emory College is based on the fundamental assumption that every loyal person of the University not only will conduct his or her own life according to the dictates of the highest honor, but will also refuse to tolerate in others action which would sully the good name of the institution. Academic misconduct is an offense generally defined as any action or inaction which is offensive to the integrity and honesty of the members of the academic community.

- The Honor Code, a list of offenses and the Honor Council process may be found; http://college.emory.edu/home/academic/policy/honor_code.html