COURSE DESCRIPTION

1. Information about the programme

1.1 Institution of higher education	**Alexandru Ioan Cuza University of Iasi**
1.2 Faculty	**Faculty of Economics and Business Administration**
1.3 Department	**Department of Finance, Money and Public Administration**
1.4 Field of study	**Finance**
1.5 Level	**Master**
1.6 Study programme/ Qualification	**Finance and Risk Management**

2. Information about the course

2.1 Course name	**Monetary and financial macroeconomics**						
2.2 Course coordinator	**Irina BILAN** (Associate Professor, PhD)						
2.3 Seminar coordinator	**Irina BILAN** (Associate Professor, PhD)						
2.4 Year of study	**1**	**2.5** Semester	**2**	**2.6** Type of assessment	**E**	**2.7** Course status	**E**

* C – Compulsory / E - Elective

3. Total estimated time (hours alloted to teaching activities per semester)

3.1 Number of hours per week	**3**	of which: **3.2** lecture	**2**	**3.3** seminar/lab	**1**
3.4 Number of hours in the curriculum	**42**	of which: **3.5** lecture	**28**	**3.6** seminar/lab	**14**
Time distribution					hrs
Study of the textbook, coursebook, bibliography and lecture notes					**32**
Additional research in the library, online and on the field					**16**
Preparation of seminars/labs, homework, projects, portfolios and essays					**21**
Tutorials					**10**
Assessment					**4**
Other activities..................................					

3.7 Total number of self-study hours	**83**
3.8 Total number of hours per semester	**125**
3.9 Number of credits	**5**

4. Prerequisites (if applicable)

4.1 Curriculum-based	**Not applicable**
4.2 Competence-based	**Not applicable**

5. Conditions (if applicable)

5.1 For lectures	**Not applicable**
5.2 For seminars / labs	**Not applicable**

6. Specific competencies

Professional competencies	**C1.** Analysis of the theoretical and practical aspects of financial markets, models, instruments that are used in the management of risks. **C2.** Adequate use of mathematical and statistical concepts, methods and techniques in assessing risks and performing independent research in finance. **C3.** Evaluation of the main risk factors for organizations and financial systems. **C4.** Implementing effective financial management and reporting within the business environment to ensure value creation. **C5.** Ensuring effective and appropriate governance and management of risk within an organization, in the context of an overall ethical framework.
Transversal competencies	**CT1.** Application of the professional ethical norms and values in decision-making and undertaking of complex professional tasks, independently or within a team. **CT2.** Human resources planning within a group or organization, in the context of awareness of own responsibility for professional outcomes. **CT3.** Assuming the need for continuous development to create prerequisites for career progression and adapt own professional and managerial competencies to the economic dynamics.

7. Course objectives (provided by the specific competencies grid)

7.1. Main objective	Gaining knowledge, skills and competence on the functioning and interdependencies between the real, monetary, and financial sectors of the economy, from a macroeconomic perspective.
7.2. Specific objectives	On completion of the course, the students will be able to: ▪ Calculate and interpret specific macroeconomic indicators on GDP, inflation, interest rate, exchange rate, etc.; ▪ Describe the fundamental concepts and theories of monetary and financial macroeconomics; ▪ Explain the dynamics of economic activity over the short/ medium and long term, under the impact of main factors of influence; ▪ Explain the relationship of determination between different real, financial, and monetary macroeconomic variables, under the conditions of closed and open economies; ▪ Critically analyze the macroeconomic policy mix in various countries; ▪ Apply the theories on the determination of financial and monetary macroeconomic variables to make predictions about their dynamics.

8. Content

8.1	Lectures	Teaching methods	Observations (hours & readings)
1.	Overview of key macroeconomic statistics	Lecture, discussions	2hrs: M1(2), SN(19)
2.	National income. Some basic macroeconomic identities	Lecture, discussions	3hrs: M1(3), BW(2), DFS(2)
3.	The theory of money, inflation and interest rates	Lecture, discussions	3hrs: M1(4,5), BW(6,9), M2(12)

4.	Open economies and exchange rates	Lecture, discussions	4hrs: M1(6), BW(6,15), SN(27)
5.	Introduction to economic fluctuations. The aggregate demand and supply model	Lecture, discussions	2hrs: M1(10), BW(12)
6.	Midterm test	Written test	2hrs
7.	Building the IS-LM model	Lecture, discussions	2hrs: M1(11), CG(8,9)
8.	Applying the IS-LM model. Policy mix in a closed economy	Lecture, discussions	4hrs: M1(12), CG(8,9), KW(13,15)
9.	The Mundell-Fleming model and exchange-rate regime. Policy mix in an open economy-	Lecture, discussions	4hrs: M1(13), CG(10)
10.	Budget deficit, government debt, and public finance sustainability	Lecture, discussions	2hrs: M1(19), BW(7,17)

Bibliography
Main readings:
- Burda, M & Wyplosz, C 2017, *Macroeconomics: A European Text*, 7th Edition, Oxford University Press, Oxford, U.K. (BW)
- Colander, DC & Gamber, EN 2006, *Macroeconomics,* Pearson/Prentice Hall, Cape Town (CG)
- Dornbusch, R, Fischer, S & Startz, R 2011, *Macroeconomics*, 11th Edition, McGraw Hill/Irwin (DFS)
- Krugman, P & Wells, R 2015, *Macroeconomics*, 4th Edition, Worth Publishers (KW)
- Mankiw, NG 2016, *Macroeconomics*, 9th Edition, Worth Publishers, New York (M1)
- Mankiw, NG 2012, *Brief principles of macroeconomics*, 6th Edition, South-Western Cengage Learning, Mason, OH (M2)
- Samuelson, PA & Nordhaus, W 2010, *Economics*, 19th Edition, Mc-Graw Hill/Irwin (SN)

Additional readings:
Other readings such as cases, simulations, journal papers, press articles will be provided periodically throughout the course via FEAA eLearning platform, e-mail or handed-in in class.

8.2	Seminars / Labs	Teaching methods	Observations (hours & readings)
1.	Overview of key macroeconomic statistics	Discussions, excercises (solved individually and/or in pairs)	1hr: M1(2), SN(19)
2.	National income. Some basic macroeconomic identities	Exercises (solved individually and/or in pairs)	1hr: M1(3), BW(2), DFS(2)
3.	Money supply and monetary policy	Exercises (solved individually and/or in pairs), problem solving	1hr: M1(4), BW(6,9), M2(12)
4.	Causes, effects and costs of inflation. Inflation and interest rates	Exercises (solved individually and/or in pairs), case studies	1hr: M1(5), BW(6,9), M2(12)
5.	Open economies and exchange rates	Exercises (solved individually and/or in pairs), case studies, problem solving	2hr: M1(6), BW(6,15), SN(27)
6.	Introduction to economic fluctuations. The aggregate demand and supply model	Case studies, problem solving	2hr: M1(10), BW(12)

7.	Building the IS-LM model	Exercises (solved individually and/or in pairs), case studies	1hr: M1(11), CG(8,9)
8.	Applying the IS-LM model. Policy mix in a closed economy	Exercises (solved individually and/or in pairs), case studies	1hr: M1(12), CG(8,9), KW(13,15)
9.	Analysis of macroeconomic policies around the world	Students' presentations and discussions	2hr
10.	The Mundell-Fleming model and exchange-rate regime. Policy mix in an open economy-	Exercises (solved individually and/or in pairs), case studies	1hr: M1(13), CG(10)
11.	Budget deficit, government debt, and public finance sustainability	Case studies, problem solving	1hr: M1(19), BW(7,17)

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Main readings:
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- Krugman, P & Wells, R 2015, *Macroeconomics*, 4th Edition, Worth Publishers (KW)
- Mankiw, NG 2016, *Macroeconomics*, 9th Edition, Worth Publishers, New York (M1)
- Mankiw, NG 2012, *Brief principles of macroeconomics*, 6th Edition,South-Western Cengage Learning, Mason, OH (M2)
- Samuelson, PA & Nordhaus, W 2010, *Economics*, 19th Edition, Mc-Graw Hill/Irwin (SN)

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9. Corroboration of the course content with the expectations of community representatives, professional associations and representative employers from the programme's related field

This course provides students with the core knowledge, skills, and abilities that are generally accepted and applied by finance and investments professionals throughout the world. Topics are selected in accordance to the requirements of Charted Financial Analyst (CFA) and Professional Risk Manager (PRM) world-leading certifications for finance and risk management, to offer the adequate preparation for CFA and PRM exams.
The course content is correlated to that of similar courses taught at renowned universities and is continuously updated based on the feedback of students and alumni.
Moreover, this is a student-centered course that follows the best practices of learning and teaching in undergraduate education through the adoption of a variety of active-learning instructional methods.

10. Assessment

Type of activity	10.1 Assessment criteria	10.2 Assessment methods	10.3 Weight in final grade (%)
10.4 Lectures	Mastering the basic concepts of financial and monetary macroeconomics and the correct explanation of theories and mechanisms in the field	***Midterm exam*** (multiple-choice and open questions)	30%
	Mastering the basic concepts of financial and monetary	***Final exam*** (multiple-choice and open	50%

10.5 Seminars/ Labs	macroeconomics and the correct explanation of theories and mechanisms in the field	questions)	
	Originality, accuracy, and novelty of information Quality of team work Clarity of oral presentation, quality of arguments and ideas, synthesis capacity, and time management	**Homework assignments** (one individual assignment and one group assignment presented in front of peers)	20%
10.6 Minimum performance standard			
A minimum passing grade of 5, computed as F = 0.2×H + 0.3×ME + 0.5×FE, where F – final grade, H - homework assignments, ME – midterm exam, FE – final exam.			

Date   Course Coordinator   Seminar Coordinator
14.09.2020   Associate Professor Irina BILAN, PhD   Associate Professor Irina BILAN, PhD

Date of approval   Head of Department
23.09.2020   Prof. dr. Ovidiu STOICA