



北京大學  
汇丰商学院

Peking University HSBC Business School

# Macroeconomics Module 2, 2015-2016

## Course Information

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### *Instructor: Jiao Shi*

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Office Hour: 2:30PM-5:30PM Thursday, or by appointment

### *Teaching Assistant: Peiyuan Li & Yang Liu*

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### *Classes:*

Lectures: 15:30PM – 17:20PM, Tuesday & Friday

Venue: PHBS Building, Room 403

## 1. Course Description

### *1.1 Context*

Course overview:

This is a required class for students of the quantitative finance program. The purpose of the class is twofold. On the one hand, we study macroeconomic concepts and theories. On the other hand, we will apply these theories to understand macroeconomic events happening in China, as well as in the world. This course is designed to introduce students to the core concepts of macroeconomics and how to think critically about the economy. We will look at how to measure macroeconomic activity, the cost of living, and employment. We examine issues such as inflation, unemployment, and growth at different time horizons. We will also discuss conducts of monetary and fiscal policies.

Prerequisites: Microeconomics

### *1.2 Textbooks and Reading Materials*

Required text: “Macroeconomics” by Olivier Blanchard, fifth edition, 2013, Pearson Education and Tsinghua University Press

Lecture notes and supplemental readings will be provided to students throughout the semester

## 2. Learning Outcomes

### *2.1 Intended Learning Objectives / Outcomes*

Learning Goals	Objectives/Outcomes	Assessment
1. Our graduates will be effective communicators.	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	Class participation
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Homework Exams
	5.3. Our students will demonstrate competency in critical thinking.	Homework Exams

## 2.2 Course specific objectives

## 2.3 Assessment/Grading Details

Assessment task	Weighting
Midterm exam	30%
Final exam	40%
Class participation	10%
Homework assignment	20%
Total	100%

**Midterm and final exam:** The midterm exam will be in class on Monday, December 15th. The final exam is arranged to take place in one of the regular exam days after the end of the semester. The final exam will be cumulative, with an emphasis on material covered in the latter half of the semester.

**Homework:** There will be 4 - 5 homework assignments. Students are expected to complete these homework assignments independently.

**Participation:** Class attendance is expected. Students who miss class beyond reasonable frequency will automatically lose the class participation grade. In-class discussion and participation are strongly encouraged, and I reserve the right to make minor upward adjustments to your final grade using participation performance.

## 2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

### 3. Topics, Teaching and Assessment Schedule

<i>Times</i>	Class Coverage	Textbook Chapter to Read
Week 1	Course introduction  Macroeconomics and macroeconomic variables	Chapter 1  Chapter 2: 2-1, 2-2, 2-3
Week 2	The economy in the short run: - Composition of GDP and demand for goods - Goods market and the IS curve	Chapter 3
Week 3	The economy in the short run: - Money, interest, and financial market - Determination of interest rate - Financial market and the LM curve	Chapter 4  Chapter 5
Week 4	The economy in the medium run - Unemployment and wage determination - AS-AD model	Chapter 6  Chapter 7
Week 5	The economy in the medium run - The Phillips Curve - Output, unemployment, and inflation	Chapter 8  Chapter 9
Week 6	The economy in the long run - Growth via capital accumulation - Technological progress and growth	Chapter 11 Chapter 12  Chapter 13
Week 7	Financial markets and expectations - Bond market and stock market - Bubbles and asset prices  Open economy macroeconomics - Openness in goods market and assets market - The nominal and real exchange rate	Chapter 15   Chapter 18
Week 8	Open economy macroeconomics - Saving, investment, and current account - Output, interest rate, and exchange rate - Exchange rate regime and capital control	Chapter 19 Chapter 20  Chapter 21

Week 9	Macroeconomic policies - Monetary policy	Chapter 17: 17-1, 17-2 Chapter 25: 25-1, 25-2
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#### **4. Miscellaneous**