



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

Program: Financial Management

Option: Corporate Finance

Option: Corporate Financial Planning

Course Outline Part A

FMGT 4570
Money and Banking

Hours/Week:	4	Total Hours:	80	Term/Level:	4
Lecture:	2	Total Weeks:	20	Credits:	
Lab:	2				
Other:					

Prerequisites

FMGT 4570 is a Prerequisite for:

Course No.	Course Name
ECON 2100	Microeconomics
ECON 2200	Macroeconomics

Course No.	Course Name
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Course Goals

Course Description

Examines central banking; objectives and techniques of monetary control; financial assets and financial markets; money and the international economy.

Evaluation

Final Examination	40%	May Exam Week
Mid-Term Examination	30%	February Exam Week (about February 28)
Test	30%	Monday, April 11, 1996
TOTAL	100%	

Course Outcomes and Sub-Outcomes

Upon successful completion of this course, the student will be able to:

1. Evaluate how our financial institutions affect the functioning of our economic system.
2. Understand the nature and characteristics of the Bank of Canada.
3. Formulate objectives of monetary and fiscal policy.
4. Analyze how the foreign exchange market is affected by Canada's Balance of Payments.

Course Record

Developed by: DICKHOFF Date: 96 Jan 4
Instructor Name and Department (signature)

Revised by: _____ Date: _____
Instructor Name and Department (signature)

Approved by: DICKHOFF Start Date: 96 Jan 4
Associate Dean / Program Head (signature)



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

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Course Outline Part B

FMGT 4570
Money and Banking

Effective Date

January, 1996

Instructor(s)

C.J. Dickhoff

Office No.: SE6-305

Phone: 6782

Office Hrs.: By appointment and as posted.

Text(s) and Equipment

Required:

Binhammer, H.H. (1993). *Money, Banking and the Canadian Financial System*. Sixth Edition. Scarborough: Nelson Canada Publications.

Recommended:

Bank of Canada. *Annual Report of the Governor to the Minister of Finance*. Various Issues.

Bank of Canada Review. Published Monthly.

Boreham, Gordon F., and Bodkin, Ronald G. (1988). *Money, Banking and Finance. The Canadian Context*. Third Edition. Toronto: Holt, Rinehart and Winston.

Cameron, Norman E. (1992). *Money, Financial Markets and Economic Activity*. Second Edition. Don Mills, Ontario: Addison-Wesley.

C.D. Howe Institute. Various Publishers.

Cameron, N.E., and Cameron, B.J. (1983). *The Financial Page: Money and Banking in the News*. Toronto: Gage.

Canadian Bankers' Association. *The Canadian Banker*. Published Bi-Monthly.

Capes, John, and Raynor, Thomas E. (1989). *Orientation to Banking*. Second Edition. Scarborough, Ontario: Prentice-Hall.

Hunter, W.T. (1988). *Canadian Financial Markets*. Revised Edition. Peterborough, Ontario: Broadview Press.

MacMillan, Alexander. (1989). *An Introduction to Canadian Financial Markets. An Analytical Approach*. Scarborough, Ontario: Prentice-Hall.

- Neave, Edwin H. (1987). *Canada's Financial System: A Managerial Approach*. Toronto: Methuen.
- Sargent, John, Ed. (1986). *Fiscal and Monetary Policy*. Toronto: University of Toronto Press for MacDonald Royal Commission.
- Sarpkaya, S. (1984). *The Money Market In Canada*. Third Edition. Don Mills, Ontario: CCH Canadian Limited.
- Shearer, R.A., Chant, J.F., and Bond, D.E. (1995). *Economics of the Canadian Financial System. Theory, Policy and Institutions*. Third Edition. Scarborough, Ontario: Prentice-Hall.
- Siklos, Pierre, L. (1994). *Money, Banking, and Financial Institutions. Canada in the Global Environment*. Toronto: McGraw-Hill Ryerson.

Course Notes (Policies and Procedures)

Assignment Details



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Schedule

FMGT 4570

Money and Banking

Week of/ Number	Outcome/Material Covered	Reference/Reading	Assignment	Due Date
1	Financial Markets	7		
2	Financial Instruments: The Money Market	Cont'd.		
3	Financial Instruments: The Money Market	Ch. 10, pp. 140-145		
4-5	Commercial Banks as Creators of Money	Ch.1, pp. 9-13, Ch.9		
6	The Banking System and the Money Supply	Ch. 13, pp. 188-204		
7	Origin and Functions of the Bank of Canada	16		
7	Monetary Control: Central Bank Instruments	18		
	MIDTERM EXAM, February Exam Week			
9	Monetary Control: Cash Management	19		
	Implementation of Monetary Policy	20		
10	Monetary Policy and its Objectives	17		

Week of/ Number	Outcome/Material Covered	Reference/Reading	Assignment	Due Date
11	Goals: Compromise and Trade-Offs SPRING BREAK, March 10-15	Cont'd.		
12	The Modern Quantity Theory (Monetarism)	Ch. 22, pp. 356-358		
13	The Concept of National Income QUARTER-TERM EXAM, Monday, April 1	Ch.23		
14	Output, the Price Level and Inflation EASTER WEEKEND HOLIDAY, April 5-8	26		
15	Monetary Policy Effectiveness	27		
16	Money and the International Economy	28		
17	Balance of Payments	Cont'd.		
18	Foreign Exchange	29		
19	Foreign Exchange Regimes	30, p. 456; 463-471		
20	TERM EXAMINATION			