ECON 173A – SYLLABUS (FALL 2008) Foster, UCSD, February 27, 2009

Teaching Staff and Consultation Hours						
Name/Position	Times	Room	Contact Info			
Carroll B. Foster	MWF	ECON 110C	(858) 534-7133			
(PhD/Instructor)	$10-10^{45}$ am	ECON 110C	cfoster@ ucsd.edu			
Cindy Vojtech	M, 6-7 pm	PCNY 106	cvojtech @ ucsd.edu			
Kanako Hotta	M, 7-8 pm	PCNY 106	khotta @ ucsd.edu			
Wesley Chen		ECON 124	w1chen @ ucsd.edu			

Course Information

- Course: "Financial Markets" (628557) MWF, 8-9 am, CENTER 115
- Description: Intro to investment theory; financial markets; risk and return; capital asset and arbitrage pricing models; efficient markets; bond yields; term structure of interest rates.
- Prerequisite: Ec 100A or 170A; Ec 120B
- Course webpage: *http://webct.ucsd.edu*

Books and Materials

- Required: Bodie/Kane/Marcus, *Investments* (8th ed.), and *Solutions Manual*. [Bookstore]
- Helpful: Burton Malkiel, A Random Walk Down Wall Street, Norton, 1999.
- A good read: J. K. Galbraith, A Tenured Professor, Mariner Books, 1990.

Calendar

- Drop w/o "W" thru F, 24 OCT; drop w/o "F" thru M, 1 DEC
- Holidays: Th-F, 27-28 NOV (Thanksgiving)
- Midterm: Wednesday, 5 NOV, 8-8⁵⁰ am, in class.
- Final: Monday, 8 DEC, 8-11 am, CENTER 115 or _____

Examinations and Grading

Midterm = 100 points; cumulative final = 250. Exams are open book/notes. No rescheduled or make-up exams.² Cheating = F in course.³

Course Outline and Reading List BKM 7 th & 8 th			
Top 1	INTRODUCTION TO FINANCE & INVESTING	Ch. 1, 3	
Top 2	FINANCIAL SECURITIES	Ch. 2, 4	
Top 3	RISK & RETURN	Ch. 5, §6.1	
Top 4	MODERN PORTFOLIO THEORY	Ch. 6 - 7, §9.1	
Top 5	ASSET PRICING MODELS I	Ch. 8	
Top 6	ASSET PRICING MODELS II	Ch. 9 - 10	
Top 7	THE EFFICIENT MARKETS HYPOTHESIS	Ch. 11 - 13	
Top 8	BONDS & INTEREST RATES	Ch. 14 - 16	
Top X	TIME VALUE OF MONEY & CONSUMER FINANCE	Notes + Discussion	

¹ Based on n = 972 former students in my Ec 173A/175 courses (percent of total points possible).

Curve				
Gr	Rank	Points ¹		
A±	Top 30%	81-99%		
$B\pm$	Hi 35%	72-80%		
$C\pm$	Mid 30%	57-71%		
D/F	Low 5%	00-56%		

² Please note that you MUST take the final with the rest of the class on schedule during finals week.

³ I give multiple versions of tests. If you have the right answers for some other version, you are busted.