



北京大學
汇丰商学院

Peking University HSBC Business School

Macroeconomics Module 1, 2018-2019

Course Information

Instructor: Jiao Shi

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Office Hour: 10AM-12AM Tuesday, or by appointment

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Classes:

Lectures: 10:30AM – 12:20PM, Tuesday & Friday

Venue: PHBS Building, Room 313

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.

1.2 Reference and Reading Materials

Main reference: “Macroeconomics” by Olivier Blanchard, sixth edition, 2017, 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 Presentation
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	15%
Homework assignment	15%
Total	100%

Midterm and final exam: The midterm exam will be in class on Tuesday, October 17th. The final exam is arranged to take place from 9AM to 11AM, on Tuesday November 14th. The final exam will be cumulative, with an emphasis on material covered in the latter half of the semester.

Homework: There will be multiple 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. 10% of the participation grade will go to presentation by reading groups. 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.

Grading: The exams are designed to be difficult to induce a grade distribution that sufficiently spreads out. The purpose is to reduce the effect of random errors on your overall relative performance. The targeted average score for the exam is 70, but the numerical score does not matter. Because we will curve the class based on overall performance of students compared to previous years, and in accordance with the Peking University HSBC Business School's grading policy.

Extra credits are awarded to students who show significant improvement in terms of relative performance in the final exam compared with the midterm. Students automatically receive the extra credit if they improve by more than 5 ranks.

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

Time	Class Coverage
Week 1	<p>Course introduction: Recent economic history of China</p> <ul style="list-style-type: none"> - The public sector and the market - Shenzhen in the Reform and Opening <p>Macroeconomics and macroeconomic variables <u>Reading:</u> Chapter 1, Chapter 2: 2-1, 2-2, 2-3</p> <ul style="list-style-type: none"> - National income accounts and economic indicators <p>Focal point: The GDP accounting reform of 2016 Focal point: Issues with GDP accounting</p>
Weeks 2 - 3	<p>The economy in the short run: <u>Reading:</u> Chapter 3, 4, 5</p> <ul style="list-style-type: none"> - Composition of GDP and demand for goods - Goods market and the IS curve - Money, interest, and financial market <p>Focal point: Monetary policy conduct: China and other countries</p> <ul style="list-style-type: none"> - Determination of interest rate - Financial market and the LM curve <p>Focal point: Monetary policy transmission channels</p>
Weeks 4 - 5	<p>The economy in the medium run <u>Reading:</u> Chapter 6, 7, 8</p> <ul style="list-style-type: none"> - Unemployment and wage determination - AS-AD model - The Phillips Curve <p>Midterm Exam</p>
Week 6 - 7	<p>The economy in the long run</p>

	<p><u>Reading:</u> Chapter 11, 12, 13</p> <ul style="list-style-type: none"> - Growth via capital accumulation - Technology progress and growth <p>Focal point: The Supply-side reform Focal point: Global technological plateau?</p> <ul style="list-style-type: none"> - Growth empirics <p>Focal point: Sources of growth, China and Asia</p>
Week 8 - 9	<p>Open economy macroeconomics:</p> <p><u>Reading:</u> Chapter 18, 19, 20</p> <ul style="list-style-type: none"> - Openness in goods market and assets market <p>Focal point: China in the globalization</p> <ul style="list-style-type: none"> - The nominal and real exchange rate - Saving, investment, and current account - Output, interest, and exchange rate <p>Focal point: Are you on the Belt and Road?</p> <p>Final Exam</p>

Please let me know you by telling me:

- Your name
- Where you are from
- Your desired work after graduation
- Your hobbies/interests
- Your lifetime aspiration
- A (or several) macroeconomic issue(s) that you are interested in