

Enquire Teaching Timetable

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Course Outcome

ECON 1420 - Basic Banking and Finance

Learning Outcome

1. Understand the basic operation of the banking system and financial markets and the importance of ethics and integrity.
2. Apply and interpret the basics of asset price valuation and method to financial instruments such as equity, debt, and derivatives.
3. Apply relevant concepts, tools, and techniques to analyze some major financial and banking activities and issues and to understand their impacts of on people's livelihood.
4. Improve ability to interpret financial data.

1. 了解銀行體系和金融市場的基本運作及誠信和道德操守之重要。
2. 運用和解釋股票、債券、衍生金融工具等證券資產價格評價和證券估值技巧。
3. 運用相關概念，工具和技巧來分析一些重大的金融及銀行活動和議題，及了解其對人民生活的影響。
4. 提高閱讀和理解財務數據資料的能力。

Course Syllabus

1. An Overview of the Financial System
2. Meaning and Development of Money
3. Behavior of Interest Rates and the Risk and Term Structure of Interest Rates
4. Livelihood with Risk and Diversification

5. Valuation of Shares–Fundamental Analysis
6. Valuation of Shares–Technical Analysis
7. Efficient Markets Hypothesis
8. Banking and the Management
9. Banking Regulation, Causes of Debt Crisis and their Social Impacts
10. Money Supply Process
11. Foreign Exchange Market and Linked Exchange Rate in Hong Kong

1. 金融制度系統概述
2. 貨幣的意義與發展
3. 利率變化和制定、利率的風險和時性結構
4. 風險和分散投資與日常生活的關聯
5. 股票估值的基本分析
6. 股票估值的技術分析
7. 市場有效性理論
8. 銀行業務和管理
9. 銀行監管和債務危機的因由及其對社會的影響
10. 貨幣供應過程
11. 外匯市場和香港聯繫匯率制度

Assessment Type

	Assessment Type	Current Percent
1	Essay test or exam	0
2	Short answer test or exam	0

Feedback for Evaluation

1. Course and Teaching Evaluation Survey
2. Internal Course Review

Required Readings

HKMA, *Money in Hong Kong: A Brief Introduction* (Hong Kong: HKMA Publications, November 2000) (<http://www.hkma.gov.hk/eng/index.shtml> - first **click Publications & Research** and then **click Monetary** under **Reference Materials**).

Mishkin, Frederic S., *The Economics of Money, Banking, and Financial Markets*, 9th ed., Pearson, 2010.

Young, Leslie and Raymond Chiang, *Hong Kong Securities Industry*, 3rd ed., The Stock Exchange of Hong Kong Ltd. and The Asia-Pacific Inst. of Business, 1997.

An Overview of the Financial System: (Mishkin, Ch.1 & 2, Young and Chiang, Ch.1)

Meaning and development of Money: (Mishkin, Ch.3, 19 & 24)

Behavior of Interest Rates and the Risk and Term Structure of Interest Rates: (Mishkin, Ch.4, 5 & 6)

Risk and Diversification: (Mishkin, Ch.2, Young and Chiang, Ch.15, Ch.16)

Valuation of Shares–Fundamental Analysis: (Mishkin, Ch.5, Young and Chiang, Ch.17)

Valuation of Shares–Technical Analysis (Chiang, Ch.17)

Efficient Markets Hypothesis: (Mishkin, Ch.7, Ch.25)

Banking and the Management: (Mishkin, Ch.10)

Reasoning for Banking Regulation and Debt Crisis and their Social Impacts: (Mishkin, Ch.8, 9, 11, 12, & 13)

Money Supply Process: (Mishkin, Ch.13 & 14)

Foreign Exchange Market and Linked Exchange Rate in Hong Kong (Mishkin, Ch.17 & 18, HKMA)

Recommended Readings

Bodie, Z., *et al*, (2008), Investments 7th ed., McGraw-Hill.

Ho, S., *et al*, (2004), The Hong Kong Financial System: a new age, Oxford University Press.

Online Information:

AASOCKS.com: <http://www.aastocks.com/eng/default.asp>

DailyFX: <http://www.dailyfx.com/>

Hong Kong Centre of Economic Research: <http://www.hku.hk/hkcer/>

Hong Kong Exchanges and Clearing Limited: <http://www.hkex.com.hk/>

Hong Kong Monetary Authority: <http://www.hkma.gov.hk/eng/index.shtml>

Securities and Futures Commission: <http://www.sfc.hk/sfc/html/EN/>

Yahoo's Financial Website: <http://hk.finance.yahoo.com/>