Note: This is a sample syllabus, typical of the course as taught in past semesters. However, you are bound by the actual syllabus handed out by your instructor in your class, which may differ as regards to text, assignments, or other details.
As in part I of this course, you do not need to depend on any particular text. However for those interested, the course plan will continue to indicate the relevant chapters in the two Nicholson texts:

Intermediate Microeconomics and Its Application (designated IM)
Microeconomic Theory: Basic Principles and Extensions (designated MT)

Lecture outlines, problem sets and solutions, and supplemental handouts will be posted on the course website (URL listed above). Course announcements will also be posted there. Please check the course website regularly.

Part II will make extensive use of supplemental readings. In the first portion of the course, these will mainly be newspaper articles from the Wall Street Journal or similar sources. These articles will be provided in advance of the class in which they will be discussed.

Information on supplemental readings for the last two weeks of the class (macroeconomics) will be provided later.

COURSE OBJECTIVES

Microeconomic theory focuses both on the underlying arguments for efficiency of markets and on the causes and consequence of market failures. Financial markets are generally among the most efficient markets extant. Still, failures or inefficiencies in these markets, when they occur, are both a source of concern and a source of potential profits for participants.

The second portion of this course is designed to continue to provide an understanding of the theory and logic of microeconomics. But it is also designed to give you a chance to apply the principles to examination of specific topics in finance.

The final two weeks of the course will provide an overview of some key concepts in macroeconomics, as they apply to the study of finance.
**ADMINISTRATIVE INFORMATION**

1. **GRADING**

   *You will receive only one overall grade for the entire semester of Fin 590 FE on your UIUC transcript. Half of your overall course grade will be based on your performance in the second half of the course.*

   Points for the second half will be allocated as follows:

<table>
<thead>
<tr>
<th>% of Second Half Grade</th>
<th>(% of Overall Course Grade)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignments / Problem Sets</td>
<td>20%</td>
</tr>
<tr>
<td>Class attendance and Participation</td>
<td>20%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>60%</td>
</tr>
</tbody>
</table>

   The plus/minus system will be used when assigning final course grades.

2. **ASSIGNMENTS/PROBLEM SETS**

   Periodically during the semester you will be given assignments to work on outside of class. The problems on these assignments will sometimes be more difficult than the examples we have done in class, and will also sometimes be more difficult than the types of questions you will likely see on the exam. This is done intentionally to challenge you to think about the course material at a deeper level.

   You are *strongly* encouraged to work on the assignments with your pre-assigned study groups. However, you must write up your answers independently and turn in separate work. While numerical solutions may look identical for individuals in the same study group, non-numerical answers should not be identical, i.e., you should *write your answers in your own words*.

   **IMPORTANT NOTE:** Assignments are due EITHER a) in class at the beginning of class, OR b) in my email in-box or my faculty mail-box in 340 Wohlers Hall by 12:30 PM on due date. *No late assignments will be accepted for any reason!*

3. **EXAM**

   The final exam will focus on the second half of the course; however since economics is a cumulative subject, it may still be necessary to use some of the techniques or concepts learned in the first half to deal with issues or problems discussed in the second half.

   *Absences from this exam must be excused, and will be dealt with according to University policy.*
4. CLASS PARTICIPATION

The participation grade depends on class attendance and active class participation via discussion, questions, and contributions of examples from current events is expected.

_The supplemental readings will form the basis of regular discussions of applications of the theory. Therefore in order to receive a high participation grade, it is essential to read the assigned articles before class. Please bring the articles with you to class._

5. ACADEMIC INTEGRITY

_From the University statement on your obligation to maintain academic integrity: “If you engage in an act of academic dishonesty, you become liable to severe disciplinary action. Such acts include cheating; falsification or invention of any information or citation in an academic endeavor; helping or attempting to help others commit academic infractions; plagiarism; offering bribes, favors, or threats; academic interference; computer-related infractions; and failure to comply with research regulations.”_

Rule 33 of the _Code of Policies and Regulations Applying to All Students_ gives complete details of rules governing academic integrity for all students. You are responsible for knowing and abiding by these rules.

6. DISABILITIES

To ensure that disability-related concerns are properly addressed from the beginning, students with disabilities who require reasonable accommodations to participate in this class are asked to see me as soon as possible.

7. OFFICE HOURS

Office hours are listed above; if any changes become necessary, they will be posted on the course web site. Office hours are for your benefit, so feel free to use them! No appointment is necessary during office hours. If you cannot come to these office hours, please make an appointment for another time by sending me an email.

8. OPTIONAL REVIEW SESSIONS

In addition to regular lectures, there will be _occasional and optional_ Friday review sessions, led by one of the Finance Ph.D. students. I will ask the teaching assistant to review basic material from the course, and then answer questions that you may have. Details on the time and location will be announced in class.