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## MS - APPLIED FINANCIAL ECONOMICS

### SYLLABUS



#### COURSE INFORMATION

- **Course Hours:** 3:05PM-4:20PM TR
- **Course Meeting Location:** HCB, Room 0219
- **Credit Hours:** 3 hours
- **Prerequisites:** Enrolled in the MS in Applied Economics Program



#### COURSE DESCRIPTION







This course provides a basic introduction to financial markets for bonds, equities and derivatives and examines and how these financial markets interact with the goods markets of an economy. The course is data-oriented and will incorporate many of the methods that you will be learning concurrently in the ECO5434 Analysis of Economic Data class. Topics include: decision-making under uncertainty; the term structure of interest rates; optimal portfolio selection; asset valuation models; derivative assets such as forwards, futures, swaps, options; how the Federal Reserve Bank uses financial markets to forecast the real growth of the economy; and recent financial innovations such as payment for order flow, crypto markets, decentralized autonomous organizations, NFTs, SPACs, and PIPEs.



#### COURSE INSTRUCTOR





-  Paul Beaumont  
 Associate Professor of Economics  
 [beaumont@fsu.edu](mailto:beaumont@fsu.edu) (mailto:email@fsu.edu)  
 (850) 644-7085  
 Department / Bellamy 276  
Office Hours by appointment
-  Emails will be responded to within 24 to 48 hours.



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## LEARNING OBJECTIVES

At the completion of this course, students will be able to:

1. describe decision-making under uncertainty;
2. describe the key elements of Modern Portfolio Theory including portfolio selection and asset pricing models;
3. describe recent extensions of MPT including dynamic pricing, arbitrage theory, and dealing with market inefficiencies;
4. describe specific financial markets including equities, bonds, the term structure of interest rates, forwards, futures, swaps, and options;
5. describe recent financial innovations such as crypto markets, decentralized financing, NFTs, SPACs, and payment for order flow.



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## COURSE MATERIALS

### Required

- All required material will be available on the course Canvas page.

## Software

- We will make extensive use of R Studio and R Markdown.



## STUDENT RESPONSIBILITIES

- Students should log on to Canvas at least every other day to check for course updates.
- Students are expected to keep up with the class, engage with the course material, and submit assignments by the due dates.
- Assignments, quizzes, and exams are expected to be products of individual students per the **[FSU Academic Honor Policy \(http://registrar.fsu.edu/bulletin/undergraduate/information/integrity/\)](http://registrar.fsu.edu/bulletin/undergraduate/information/integrity/)**. Students should not discuss any of the questions with each other before or during the actual assignments, activities, quizzes, or exams without instructor approval.
- To receive maximum points for questions, students need to follow the instructions carefully, follow word limits as instructed, and use spell and grammar checking.
- To be successful in this course, students need to complete all required assignments and tests.



## GRADING POLICY

*Grades will be determined by a series of short projects (50%) and quizzes (25%), and a final project (25%).*



## PROCTORED EXAMS - TALLAHASSEE

### ONLINE PROCTORING THROUGH HONORLOCK

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Please pay close attention to information in this Canvas course site regarding examination

dates and student responsibilities.

**Your exams will be proctored online through Honorlock this semester.** **[Honorlock \(https://support.testing.fsu.edu/kb/article/1541-honorlock-resources-for-students/\)](https://support.testing.fsu.edu/kb/article/1541-honorlock-resources-for-students/)** is an online proctoring service that allows you to take your exam from the comfort of your home. You do *not* need to create an account, download a software application, pay a fee, or schedule an appointment in advance. All that is needed is a computer, a working webcam, a microphone, and a stable internet connection. (Most laptops come with a built-in webcam and microphone.)

- **Honorlock records your computer screen and webcam and intelligently flags any suspicious activity for my review.** If my review confirms that the flagged activity appears to be a violation of FSU's **[Academic Honor Policy \(https://fda.fsu.edu/academic-resources/academic-integrity-and-grievances/academic-honor-policy/\)](https://fda.fsu.edu/academic-resources/academic-integrity-and-grievances/academic-honor-policy/)** or **[Student Conduct Code \(https://sccs.fsu.edu/conduct-codes/student-conduct-codes/\)](https://sccs.fsu.edu/conduct-codes/student-conduct-codes/)**, charges may be pursued through the Academic Honor Policy or the Office of Student Conduct and Community Standards.
- **To get started, you may need to [install Google Chrome \(https://www.google.com/chrome/browser/desktop/index.html\)](https://www.google.com/chrome/browser/desktop/index.html) and then [download the Honorlock Chrome Extension \(http://www.honorlock.com/extension/install\)](http://www.honorlock.com/extension/install).** You should also review the information provided in FSU's **[Honorlock Resources for Students \(http://assessmenttestingsupport.bbsupport.happyfox.com/kb/article/1541-honorlock-resources-for-students/\)](http://assessmenttestingsupport.bbsupport.happyfox.com/kb/article/1541-honorlock-resources-for-students/)** guide. *It's very important to check your system compatibility and internet connection speed in advance as explained in the guide.*
- **When you are ready to take your test, you should log into Canvas, go to your course, and click on your exam.** Click “Launch Proctoring” to begin the Honorlock authentication process where you will take a picture of yourself, show your ID with a clear photo, and perform a **[complete scan of your room \(https://honorlock.kb.help/-students-starting-exam/completing-a-room-scan-using-honorlock/\)](https://honorlock.kb.help/-students-starting-exam/completing-a-room-scan-using-honorlock/)**. Be sure to carefully follow all instructions provided.
- **The Honorlock Chrome Extension may be uninstalled after taking any of your exams, but please note that it will remain inactive when an Honorlock-enabled exam is not in use.** For more information or for other security or privacy concerns, please visit FSU's **[Honorlock Security and Privacy FAQ \(https://distance.fsu.edu/honorlock-security-and-privacy-faq/\)](https://distance.fsu.edu/honorlock-security-and-privacy-faq/)** page.
- **[Honorlock Support \(https://honorlock.com/support/\)](https://honorlock.com/support/) is available 24/7.** If you encounter any issues, I urge you to contact them by chat within the Honorlock session. If you encounter issues with Canvas, visit **[ODL Technical Support \(https://support.canvas.fsu.edu/kb/article/801-about-fsu-odi-technical-support/\)](https://support.canvas.fsu.edu/kb/article/801-about-fsu-odi-technical-support/)** or email **[canvas@fsu.edu \(mailto:canvas@fsu.edu\)](mailto:canvas@fsu.edu)**.
- **Need a testing accommodation?** Please be sure to inform me well in advance of your need for accommodation. Please read **[Testing Accommodations for Students with](#)**

**Disabilities** (<https://support.testing.fsu.edu/kb/article/1447-testing-accommodations-for-students-with-disabilities/>) for further guidance.

**If you are unable to use Honorlock to complete your exams, please contact me within the first 2 weeks of the semester.**



## TECHNOLOGY REQUIREMENTS

Course content is accessible through Canvas. Students will need to be able to view videos, write and upload assignments, post to discussion boards, and take assessments. Students should have access to high-speed internet and updated software. Mobile devices may be used to view course content, upload assignments, and take assessments as determined by the instructor. To view the most current technology requirements, visit the **FSU Canvas support site** (<https://support.canvas.fsu.edu/kb/article/899-technology-recommendations-for-learning-online-at-fsu/>).



## CANVAS SUPPORT

Need help with Canvas? Contact FSU Canvas Support:

✉ **Email:** [canvas@fsu.edu](mailto:canvas@fsu.edu) (<mailto:canvas@fsu.edu>)

📞 **Phone:** (850) 644-8004

🌐 **Website:** [support.canvas.fsu.edu](http://support.canvas.fsu.edu) (<http://support.canvas.fsu.edu>)

🕒 **Hours:** 8am to 5pm, Monday - Friday



## FSU LIBRARIES RESOURCES & SERVICES

Whether on campus or learning online, you can **access library resources easily** (<https://lib.fsu.edu/service/campus-access/>). You'll find databases, tutorials, workshops, and other helpful resources in the **FSU Libraries for Students** Canvas org site (all students are enrolled automatically). For recommended research resources and ways to connect with **your librarians** (<https://lib.fsu.edu/service/library-liaisons/>), look for "Library Tools" in your Canvas

course navigation.



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## COURSE POLICIES

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### COMMUNICATIONS/IN-PERSON AND ONLINE ETIQUETTE

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#### **Behavioral Guidelines for Discussions:**

- Please use respectful language when posting your responses to prompts in the Discussion Boards.
- Be mindful of how you express your emotions and humor, and be sensitive to cultural and ability differences of your peers.
- Keep postings to the point, and make sure your comments are relevant to the topic of discussion. Be sure to follow the instructions outlined for each specific discussion.
- Avoid messages such as, "Wow," "Way to go," or "Ditto" and aim for comments that validate other members' ideas through careful explanation of why you agree.
- When replying, give a short description in the subject line of what you are replying to, and use correct punctuation and spelling throughout your post.

#### **For Email Communication:**

- For email, please respond to your instructor's and peers' messages promptly.
- Use a brief description in the subject line that outlines the topic of discussion.
- Avoid using slang or profane words.
- Use the title your instructor prefers for communication.
- Avoid using emoticons, such as smiley faces, and maintain a professional demeanor.
- Sign your email messages using your full name.
- AVOID USING ALL CAPS. This makes the message visually difficult to read and is perceived by the reader as "shouting."
- Use correct spelling, grammar, and punctuation, just as you would for any communication.
- Ask yourself whether you would be comfortable if someone other than the intended receiver were to read the message. Remember, email is not a completely secure form of communication.
- Report anything inappropriate considered to be of a serious nature to your instructor, as it may be a violation of University policy.
- Treat others with respect by making messages clear and succinct.

## PARTICIPATION & LATENESS POLICY

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Excused absences include documented illness, deaths in the family and other documented crises, call to active military duty or jury duty, religious holy days, and official University activities. These absences will be accommodated in a way that does not arbitrarily penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness.

## POLICY FOR HOMEWORK

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All assignments must be turned in on time via Canvas.

## POLICY ON RESPONDING TO STUDENTS

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- Email responses typically within 24 to 48 hours.
- Graded assignments typically returned within 1 weeks after due date.

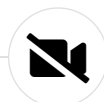


## PUBLIC HEALTH PROTOCOLS

In our classroom, I will expect everyone to wear a proper, well-fitting mask. As our President has informed the university community, FSU expects everyone on campus to use face-coverings. In regions where virus rates are high, the CDC recommends that even vaccinated individuals wear masks in public indoor spaces, like classrooms, especially where social distancing is not possible. Florida infection and hospitalization rates are greater now than they were at the height of the 2020 surge due to the Delta variant, a more infectious and easily transmissible version of the COVID-19 virus. The best way to protect against serious illness is to be fully vaccinated, but not everyone among us can be. Because the Delta variant can infect even vaccinated individuals and can be spread by them to others, it poses a special threat to members of the community with underlying health conditions and children at home who are too young for vaccination.

For these reasons, FSU expects each member of the community to comply with the public health protocols our President set forth on August 9, 2020, including (1) wearing masks in public indoor spaces, (2) getting fully vaccinated, (3) being tested for the virus if you have symptoms,

and (4) staying home and away from others if you are sick. Please remember that you should NOT attend class in person if you have tested positive for COVID-19 or are quarantining after exposure. Finally, please bear in mind that the COVID-19 situation is fast moving and that university guidance on the issue may change at any time.



## COURSE RECORDING NOT PERMITTED

In this class, consistent with state law and university policy, you may not make recordings of classroom activities without the permission of the instructor. This policy applies to both audio and video recordings.



## UNIVERSITY POLICIES

### UNIVERSITY ATTENDANCE POLICY

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Excused absences include documented illness, deaths in the family and other documented crises, call to active military duty or jury duty, religious holy days, and official University activities. These absences will be accommodated in a way that does not arbitrarily penalize students who have a valid excuse. Consideration will also be given to students whose dependent children experience serious illness.

Please note: Because students who test positive for COVID-19 are required to self-isolate for ten (10) days, positive COVID-19 test results, required isolation orders, or documentation of contact tracing should all be considered valid documentation for missing class.

### ACADEMIC HONOR POLICY

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The Florida State University Academic Honor Policy outlines the University's expectations for the integrity of students' academic work, the procedures for resolving alleged violations of those expectations, and the rights and responsibilities of students and faculty members throughout the process. Students are responsible for reading the Academic Honor Policy and for living up to their pledge to "...be honest and truthful and... [to] strive for personal and institutional integrity at



Florida State University." (For more details see the [FSU Academic Honor Policy and procedures for addressing alleged violations \(http://fda.fsu.edu/academic-resources/academic-integrity-and-grievances/academic-honor-policy\)](http://fda.fsu.edu/academic-resources/academic-integrity-and-grievances/academic-honor-policy).)

## ACADEMIC SUCCESS

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Your academic success is a top priority for Florida State University. University resources to help you succeed include tutoring centers, computer labs, counseling and health services, and services for designated groups, such as veterans and students with disabilities. The following information is not exhaustive, so please check with your advisor or the Dean of Students office to learn more.

## PROCESS FOR RESOLVING ACADEMIC PROBLEMS OR GRIEVANCES

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Please use this [step-by-step guide to resolving academic problems \(https://www.fda.fsu.edu/sites/g/files/upcbnu636/files/Media/Files/General%20Academic%20Appeals/Academic\\_Problem-Solving\\_Flowchart\\_Binder\\_Oct-2020.pdf\)](https://www.fda.fsu.edu/sites/g/files/upcbnu636/files/Media/Files/General%20Academic%20Appeals/Academic_Problem-Solving_Flowchart_Binder_Oct-2020.pdf) to begin the process of communicating with your instructor to resolve any confusion or difficulty you may be having in the course. Detailed information on FSU's grievance procedure, including special instructions for students enrolled in an FSU branch campus, is maintained on the General Bulletin's [Academic Integrity & Grievances \(https://registrar.fsu.edu/bulletin/undergraduate/information/integrity/index.cfm\)](https://registrar.fsu.edu/bulletin/undergraduate/information/integrity/index.cfm) webpage. Out-of-state distance learning students should review the Office of Distance Learning [Complaint Resolution \(https://distance.fsu.edu/about-us/complaint-resolution\)](https://distance.fsu.edu/about-us/complaint-resolution) page for additional procedures.

## AMERICANS WITH DISABILITIES ACT

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Florida State University (FSU) values diversity and inclusion; we are committed to a climate of mutual respect and full participation. Our goal is to create learning environments that are usable, equitable, inclusive, and welcoming. FSU is committed to providing reasonable accommodations for all persons with disabilities in a manner that is consistent with academic standards of the course while empowering the student to meet integral requirements of the course.

To receive academic accommodations, a student:

- (1) must register with and provide documentation to the Office of Accessibility Services

(OAS);

(2) must provide a letter from OAS to the instructor indicating the need for accommodation and what type; and,

(3) should communicate with the instructor, as needed, to discuss recommended accommodations. A request for a meeting may be initiated by the student or the instructor.

Please note that instructors are not allowed to provide classroom accommodations to a student until appropriate verification from the Office of Accessibility Services has been provided.

This syllabus and other class materials are available in alternative format upon request.

For more information about services available to FSU students with disabilities, contact the

**[Office of Accessibility Services \(Tallahassee Campus\)](https://dsst.fsu.edu/oas)** (<https://dsst.fsu.edu/oas>)

874 Traditions Way

108 Student Services Building

Florida State University

Tallahassee, FL 32306-4167

(850) 644-9566 (voice)

(850) 644-8504 (TDD)

[oas@fsu.edu](mailto:oas@fsu.edu) (<mailto:oas@fsu.edu>)

<https://dsst.fsu.edu/oas>

**[Student Accessibility Services \(Panama City Campus\)](https://pc.fsu.edu/students/student-affairs/sas)** (<https://pc.fsu.edu/students/student-affairs/sas>)

Office of Student Affairs

4750 Collegiate Drive

2nd Floor Barron Building (Room 215)

Florida State University Panama City

Panama City, FL 32405

(850) 770-2172 (office)

(866) 693-7872 (toll free)

Email: [sds@pc.fsu.edu](mailto:sds@pc.fsu.edu) (<mailto:sds@pc.fsu.edu>)

<https://pc.fsu.edu/students/student-affairs/sas> (<https://pc.fsu.edu/students/student-affairs/sas>)

## FREE TUTORING FROM FSU

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On-campus tutoring and writing assistance are available for many courses at Florida State University. High-quality tutoring is available by appointment and on a walk-in basis. These services are offered by tutors trained to encourage the highest level of individual academic

success while upholding personal academic integrity.

### *Tallahassee Campus*

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For more information, visit the Academic Center for Excellence (ACE) Tutoring Services' comprehensive list of on-campus tutoring options - see the [Academic Center for Excellence \(ACE\) Tutoring Services' website \(http://ace.fsu.edu/tutoring\)](http://ace.fsu.edu/tutoring) (http://ace.fsu.edu/tutoring) or contact [tutor@fsu.edu \(mailto:tutor@fsu.edu\)](mailto:tutor@fsu.edu).

### *Panama City Campus*

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The PC campus provides both in-person and remote tutoring. In-person tutoring is available at the Robbins Center for Academic Excellence and Innovation in the Holley Building (which also houses the Digital Design Studio). Remote tutoring will be available through Zoom. To inquire about tutoring options for the PC campus, please visit the [Peer Tutoring website \(https://pc.fsu.edu/students/academic-advising-student-success-center/peer\\_tutoring\)](https://pc.fsu.edu/students/academic-advising-student-success-center/peer_tutoring) (https://pc.fsu.edu/students/academic-advising-student-success-center/peer\_tutoring) or contact an academic advisor in the Advising Center in the Holley Building to discover your options.

## CONFIDENTIAL CAMPUS RESOURCES

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Various centers and programs are available to assist students with navigating stressors that might impact academic success. These include the following:

**[Victim Advocate Program \(https://dsst.fsu.edu/vap\)](https://dsst.fsu.edu/vap)**

University Center A,

Room 4100, (850) 644-7161,

Available 24/7/365,

Office Hours: Monday-Friday 8am-5pm

**[https://dsst.fsu.edu/vap \(https://dsst.fsu.edu/vap\)](https://dsst.fsu.edu/vap)**

**[Counseling & Psychological Services \(Tallahassee Campus\)](https://counseling.fsu.edu/)**

**[\(https://counseling.fsu.edu/\)](https://counseling.fsu.edu/)**

Askew Student Life Center, 2nd Floor

942 Learning Way

(850) 644-8255 / (850) 644-TALK

<https://counseling.fsu.edu/>

**FSU PC Counseling Center (Panama City Campus) (<https://pc.fsu.edu/students/student-affairs/counseling-Center>)**

Kathleen Duval, LCSW

Barron Building, Room 303

(850) 770-2174 (office)

(850) 832-3594 (cell)

<https://pc.fsu.edu/students/student-affairs/counseling-Center>

**University Health Services (<https://uhs.fsu.edu/>)**

Health and Wellness Center,

(850) 644-6230

<https://uhs.fsu.edu/>

## FSU FOOD PANTRIES

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FSU has established Food Pantries where students in need can pick up non-perishable food items freely and anonymously. The Food Pantry is available during the pandemic, and it is free and open to all students to take what they need. Donations for collection of non-perishable food items are encouraged.

For more information about the Tallahassee Food Pantry, visit the **Tallahassee Food for Thought Pantry website (<https://dos.fsu.edu/resources/food-for-thought-pantry>)**

(<https://dos.fsu.edu/resources/food-for-thought-pantry>). The pantry is located at University Center A, Suite 4148. If you have questions or concerns, contact the Department of Student Support and Transitions at [dsst@fsu.edu](mailto:dsst@fsu.edu) or (850) 644-2428.

For more information about the Panama City Food Pantry, visit the **PC Food Pantry website (<https://pc.fsu.edu/students/student-services/food-pantry>)**

(<https://pc.fsu.edu/students/student-services/food-pantry>). The pantry is located at Holley West Hall. If you have questions or concerns, contact Kathleen Duval LCSW at [krduval@fsu.edu](mailto:krduval@fsu.edu) or (850) 770-2174.

## SYLLABUS CHANGE POLICY

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"Except for changes that substantially affect implementation of the evaluation (grading) statement, this syllabus is a guide for the course and is subject to change with advance notice."



## COURSE SUMMARY

All course assignments and texts with due dates are listed below. To be successful in this course, be sure to complete all required assignments and tests by the due date.

### Course Summary:

Date	Details	Due
	 <b><u>Roll Call Attendance</u></b> <b><u>(<a href="https://fsu.instructure.com/courses/192124/assignments/1382562">https://fsu.instructure.com/courses/192124/assignments/1382562</a>)</u></b>	