Financial markets and institutions channel trillions of dollars through the economy, affecting business and consumer decisions and the economic health of foreign countries.

How much do you know about Financial Markets?

- What determines asset prices and returns?
- Why doesn’t my credit card rate go down when the Fed cuts interest rates?
- How can the term structure be used to predict inflation?
- What role did financial derivatives play in the 1987 stock market crash?
- Which is more important: Debt or Equity?
- What caused the Asian Financial Crises?

Economics 340 will answer these and other questions related to the functioning of financial markets and institutions in a global economy using basic economic principles such as supply and demand, the concept of equilibrium and profit maximization.

Prerequisites: Econ 120,130, or 131; or consent xiaojun@hawaii.edu