# Syllabus Autumn 2012

## China's Financial Markets(II) 중국금융시장(II)

(FIN 689E, 1.5 Credits)
(2012.10.01- 12.16)

Professor; Hong, In Kie(洪寅基)
Class Hours; Mon. Wed. 14;30-15;50
Phone Number; 02. 958-3419, 010-8762-0772
e-mail; hong228@business.kaist.ac.kr

- Objectives of the Course to Study (Themes of the Lectures)

-China's FX Regime, China's FX Rate, Yuan's Internationalization,
-Relation bet. China's Monetary Policy & PBoC's FX Market Intervention,
-PBoC's Possibility of Policy Help under Eurozone Crisis
-China's Commercial Banking, China's Policy Banking, Infrastructure Financing
-China's Stock Markets, China's Bonds Markets; QFII QDII RQFII RQDII
-China's SWF, SOE, State Capitalism of China.

⁂ **Institutions Regular Research Papers & Reports;**

· IMF, · ADB · World Bank · FRB · BIS · PIIE, · IIF · ECIPE
· Morgan Stanley, · Goldman Sachs, · Stand. Chart. Bank · Deutsche Bank · Nomura,
· PBoC · FRB · RBI
· BOK · KIF, · KIEP · KEXIM · KIRI · Seri, · HSI · KCMI

⁂ **Daily Newspapers & Periodical**

· Financial Times, · Wall Streets Journal, · The Economist
· Int'l Herald Tribune, NYT, · South China Morning Post(H.K) · China Daily(H.K)
· Korean News Papers.

⁂**Grading**

.Exam(Open book, Candidate Themes will be given in advance); 80p, Attendance; 20p.
Exam. date; Dec. 17th(Mon. 80 min.)

⁂ ⁂**Course Schedules**

**1. China's Foreign Exchange Regime & Currency War($ vs. Yuan)**

-Transformation of Central Bank's Functions & Monetary Policy BIS(12.5.3)
-Yuan Currency is rising as Reference Currency & China's Trade (FT, PIIE)
-Foreign Holdings of US Trasuries & Savings Glut Bernanke
-China's Monetary Policy to support FX Policy(Stand. Chart. Bank. UBS)
-Chinese Exchange Rate & Sustaining Economic Growth Peterson Inst. (Lardy)
-Steps to Making Yuan Int'l,-- Renminbi Bonds(Dim Sum Bond) MS, FT, WSJ
-Romney Policy on Renminbi; Hard line, high risk NYT912.10.)

**2. China's Monetary Policy & FX Rate Policy**

-China's Macro Strategy & Monetary Policy Stepahn Roach (12.10)
-July data; Growth stabilizing, but Immediate Policy Help Unlikely MS(12.8)
-Reversed short term capital fears, Hot money Exits China(12.2.22) IIF(12.3.
-China's Agflation and US Droughts KIEP, FT

**3. China's Banking**

-China's Fin'l Markets(11.11.16.Y) McKinsey(11.11.30), IMF
- China's State-owned Banks Nomura Inst.(12.4.26)
-China's Commercial Banks & Local Gov't Debt(12.2.14) FT,

-The rise of China's Banks The Economist (10.8.5 Y)
-The path to Power ; Infra Structure Financing in Asia * China FT

**4. China's Stock Markets**

-China & EMs' Capital Markets McKinsey Quaterly912. No.2)
-The Emerging Equity Gap; GDP and stability (12.1.20) McKinsey(12.12.20)
-China's Stock Market- GDP & Eco. Conditions WSJ, SCMP
-China acts to free up capital market(A shares)
-Chinas Bond Markets-Capital Flows for EM ADBI (2012.6)
-China's foreign Listing in Abroad(11.8.5.p) FT
-3 Commodities Futures Markets in China Nomura
-State Capitalism of China I. II, III & SOE Economists
-China's Stock Markets - Like it's 1999, State Capitlism Economist

**( Emphasizing points to the Students of my Class)**

1. Attendance at Class is so significant that this will be most crucial evaluation (grade) basis, because my class examinations are Open book type under given Themes in prior. Therefore there is just minor distinctions among Students for me to evaluate, so each student's rate of Frequency Attendances for Classes by actual checking will be the important Grading Basis for Students Evaluation as best reference & standard.
2. Generally our Coverage of Class is so wide, because current global issues esp. on China's Fin'l Markets' Topics are changing so rapidly, therefore prepared teaching materials Range should be so wide and so thick, but I have strong belief all of you would follow up whole reading materials to grasp China's Eco. and some other Subjects.