# SUBJECT DATASHEET

# MACROECONOMICAL FINANCE

# BMEGT35MN02

# I. SUBJECT DESCRIPTION

## 1. SUBJECT DATA

**Subject name**
MACROECONOMICAL FINANCE

**ID (subject code)** BMEGT35MN02

**Type of subject**
contact lessons

**Course types and lessons**

| *Type* | *Lessons* |
|---|---|
| Lecture | 2 |
| Practice | 0 |
| Laboratory | 0 |

**Type of assessment**
mid-term grade

**Number of credits**
3

**Subject Coordinator**

| *Name* | *Position* | *Contact details* |
|---|---|---|
| Dr. Bethlendi András | associate professor | bethlendi.andras@gtk.bme.hu |

**Educational organisational unit for the subject**
Department of Finance

**Subject website**
https://edu.gtk.bme.hu

**Language of the subject**
magyar - HU; angol - ENG

**Curricular role of the subject, recommended number of terms**

**Direct prerequisites**

| | |
|---|---|
| ***Strong*** | None |
| ***Weak*** | None |
| ***Parallel*** | None |
| ***Exclusion*** | None |

**Validity of the Subject Description**
Approved by the Faculty Board of Faculty of Economic and Social Sciences, Decree No: 581536/4/2019 (Agenda 4) Valid from November 27, 2019

# 2. OBJECTIVES AND LEARNING OUTCOMES

**Objectives**

The main objective of the course is to acquaint students with the main areas of macroeconomic finance (fiscal policy, monetary policy, fiscal stability, and their contexts. The review of the function of the state, the presentation of taxation, fiscal balance and public debt play an important role in teaching of fiscal policy. The central issues of monetary policy are the following: price and exchange rate stability, inflation, furthermore the instruments of central banks and money creation. The essence of financial stability is the ability of core financial markets and institutions to efficiently perform their functions: allocation of financial resources, risk management and managing payment transactions.

**Academic results**

Knowledge

1. the functions of the state and the main contexts of fiscal policy
2. the key indicators to evaluate budgetary policy
3. the political economy of fiscal policy
4. tax theories
5. the concept and definitions of macro-finance
6. the most important macro-financial relations and theories
7. the purpose and instruments of monetary systems and policy

Skills

1. analyze the most important macro-financial processes and developments in practice from economic aspects
2. use the vocabulary in economics on macro-financial developments and processes,
3. plan and organize independent learning,
4. comprehend and use the professional literature of the topic,
5. grasp the professional language in writing and speech,
6. recognize and solve practical professional problems.

Attitude

1. are open to learn and adapt the methodology of equity investments,
2. collaborate with their instructors and fellow students during the learning process,
3. gain knowledge and information,
4. are open to critical thinking.

Independence and responsibility

1. are open to accept reliable critical remarks,
2. are able to solve practical professional problems independently.

**Teaching methodology**

Lectures and written communication, use of ICT tools and techniques.

**Materials supporting learning**

- Az előadások prezentációinak anyaga, ami a félév során folyamatosan fog feltöltésre kerülni. / Slideshows of the lectures which will be uploaded continously during the semester.
- Atkinson, Anthony. B., Stiglitz, Joseph. E.: Lectures on Public Economics: Updated Edition. Princeton University Press. 2015
- Robert H. Frank, Ben Bernanke, Kate Antonovics, Ori Heffetz: Principles of Macroeconomics. McGraw-Hill, 2015
- Berta, Dávid – Tóth, Csaba G.: Fiscal rules. MNB Handbooks: No. 14., 2017.
- P. Kiss, Gábor- Babos, Dániel – Baksay, Gergely – Berta, Dávid: Fiscal Deficit Indicators. MNB Handbooks: No. 9., 2017
- Baksay, Gergely – Kicsák, Gergely –Szalai, Ákos: Public debt. MNB Handbooks: No. 4., 2016
- Felcser, Dániel –Komlóssy, Laura –Vadkerti, Árpád –Váradi, Balázs H.: Inflation targeting. MNB Handbooks: No. 3., July 2016
- Felcser, Dániel –Komlóssy, Laura –Vadkerti, Árpád –Váradi, Balázs H.: Inflation targeting. MNB Hand
- Atkinson, Anthony. B., Stiglitz, Joseph. E.: Lectures on Public Economics: Updated Edition. Princeton University Press. 2015
- Robert H. Frank, Ben Bernanke, Kate Antonovics, Ori Heffetz: Principles of Macroeconomics. McGraw-Hill, 2015.
- Berta, Dávid – Tóth, Csaba G.: Fiscal rules. MNB Handbooks: No. 14., 2017.
- P. Kiss, Gábor- Babos, Dániel – Baksay, Gergely – Berta, Dávid: Fiscal Deficit Indicators. MNB Handbooks: No. 9., 2017
- Baksay, Gergely – Kicsák, Gergely –Szalai, Ákos: Public debt. MNB Handbooks: No. 4., 2016

# II. SUBJECT REQUIREMENTS

## TESTING AND ASSESSMENT OF LEARNING PERFORMANCE

**General Rules**

Assessment of the learning outcomes is based on a home assignment and a written end-term test.

**Performance assessment methods**

A. Detailed description of assesments during the term: Writing a comparative fiscal analysis in teamwork about a group of countries. Out of the maximum 100 points reachable in the whole course, 40 can be acquired by this assignment. Mid-term exam on the last lecture
for 60 points.

**Percentage of performance assessments, conducted during the study period, within the rating**

**Percentage of exam elements within the rating**

**Conditions for obtaining a signature, validity of the signature**

The condition of passing the course is to achieve the 25 percent from the maximum score of the home assignment and the midterm exam
separately.

**Issuing grades**

| | |
|---|---|
| Excellent | 91 |
| Very good | 81–90 |
| Good | 71–80 |
| Satisfactory | 61–70 |
| Pass | 50–60 |
| Fail | 50 |

**Retake and late completion**

1) The exam can be retaken in the end of study period

**Coursework required for the completion of the subject**

| | |
|---|---|
| Participation in contact lessons | 28 |
| Preparing analysis | 22 |
| Preparing for the exam | 40 |
| total | 90 |

**Approval and validity of subject requirements**

Consulted with the Faculty Student Representative Committee, approved by dr. Lógó Emma, Vice Dean for Education. Valid from March 1,
2021.

# III. COURSE CURRICULUM

## THEMATIC UNITS AND FURTHER DETAILS

**Topics covered during the term**

Subject includes the topics detailed in the course syllabus to ensure learning outcomes listed under 2.2. can be achieved. Timing of the topics may be affected by calendar or other circumstances in each semester.

1 Money and financial systems
2 Basics of monetary policy
3 Financial Stability
4 The function of the state and the its contribution to the GDP
5 The evolution of public finance since the beginning of the 20th century
6 The indicators of public balance
7 Tax theory
8 Taxation in practice
9 Public expenditures
10 Public debt and sustainability
11 Financing public debt
12 Fiscal discipline – the approach of political economy

**Additional lecturers**

Dr. Tóth G. Csaba

**Approval and validity of subject requirements**

Part I-III of the Subject Form is to be approved by the Head of Department of Finance named under 1.8