

# CB2402: MACROECONOMICS

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## Effective Term

Semester A 2025/26

## Part I Course Overview

### Course Title

Macroeconomics

### Subject Code

CB - College of Business (CB)

### Course Number

2402

### Academic Unit

Economics and Finance (EF)

### College/School

College of Business (CB)

### Course Duration

One Semester

### Credit Units

3

### Level

B1, B2, B3, B4 - Bachelor's Degree

### Medium of Instruction

English

### Medium of Assessment

English

### Prerequisites

CB2400 Microeconomics or FB2400 Economics I

### Precursors

Nil

### Equivalent Courses

EF2401 Economics II or FB2401 Economics II

### Exclusive Courses

Nil

## Part II Course Details

### Abstract

This course aims to equip students with the knowledge of fundamental macroeconomic principles that will enable them to analyze and predict how the aggregate economy works, and how government policies affect important macroeconomic

variables such as national income, unemployment, inflation and interest rates. The course also encourages discovery learning -- students use what they learn from lectures to discover for themselves how macroeconomics principles are used to predict how the aggregate economy work, and why some countries are richer than others. Students will develop their attitude and ability to discover and innovate through class discussion, problem sets, and exam.

### Course Intended Learning Outcomes (CILOs)

| CILOs   | Weighting (if app.) | DEC-A1 | DEC-A2 | DEC-A3 |
|---|---------------------|--------|--------|--------|
| 1<br>Define basic macroeconomic terms and concepts; discuss how key macroeconomic variables are measured and explain what the shortcomings in their measurement are. Analyze basic macroeconomic concepts and synthesize them into a coherent economic structure.   | 20                  | x      |        |        |
| 2<br>Analyze and predict the behaviour of the aggregate economy in the long run. In particular, you should be able to analyze:<br>a. factors affecting economic growth in the long run<br>b. how equilibrium is determined in the key macroeconomic markets: the markets for labor, capital and money.        | 30                  |        | x      |        |
| 3<br>Analyze and predict the behaviour of the aggregate economy in the short run. In particular, you should be able to:<br>a. analyze the causes of economic fluctuations in the short run<br>b. evaluate and utilize relevant fiscal and monetary policies that can be used to reduce economic fluctuations. | 30                  |        | x      |        |
| 4<br>Identify the current macroeconomics environment of the world, especially that of Hong Kong and Mainland China and discuss current macroeconomic affairs coherently by applying the concepts and theories you learned in this course.   | 20                  |        |        | x      |

#### A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

#### A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

#### A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

### Learning and Teaching Activities (LTAs)

| LTAs |              | Brief Description   | CILO No.   | Hours/week (if applicable) |
|------|--------------|---|------------|----------------------------|
| 1    | Lectures     | Students will engage in not only in-class group discussions of various economic and financial articles published in leading journals and newspapers but also in-class group problem-solving. Students will discuss newspaper articles for a better understanding of the models and theories they learn from the lectures. Students will analyze current events with macroeconomic theories and predict the global economic trend with basic models in order to develop their attitude to discover and innovate. | 1, 2, 3, 4 |                            |
| 2    | Problem Sets | Students will participate in solving problem sets given to them during the semester. These engagements will develop students' attitude to discover and innovate, and help students get a better understanding of the macroeconomic theories and models.   | 1, 2, 3    |                            |

**Assessment Tasks / Activities (ATs)**

| ATs | CILO No.      | Weighting (%) | Remarks ("- for nil entry) | Allow Use of GenAI? |     |
|-----|---------------|---------------|----------------------------|---------------------|-----|
| 1   | Mid-term exam | 1, 2, 3, 4    | 30                         | -                   | No  |
| 2   | Problem sets  | 1, 2, 3       | 20                         | -                   | Yes |

**Continuous Assessment (%)**

50

**Examination (%)**

50

**Examination Duration (Hours)**

2

**Additional Information for ATs**

Students are required to pass both coursework and examination components in order to pass the course.

## Assessment Rubrics (AR)

### Assessment Task

Final Examination (one 2 hours exam)

#### Excellent (A+, A, A-)

Strong evidence of original thinking; good organization, capacity to analyse and synthesize; superior grasp of subject matter; evidence of extensive knowledge base. Students have demonstrated very strong overall ability to discover and innovate, and shown very strong evidence of accomplishments in discovery.

#### Good (B+, B, B-)

Evidence of grasp of subject, some evidence of critical capacity and analytic ability; reasonable understanding of issues; evidence of familiarity with literature. Students have demonstrated strong overall ability to discover and innovate, and shown strong evidence of accomplishments in discovery.

#### Fair (C+, C, C-)

Student who is profiting from the university experience; understanding of the subject; ability to develop solutions to simple problems in the material. Students have demonstrated some ability to discover and innovate, and shown satisfactory evidence of accomplishments in discovery.

#### Marginal (D)

Sufficient familiarity with the subject matter to enable the student to progress without repeating the course. Students have demonstrated marginal ability to discover and innovate, and shown marginal evidence of accomplishments in discovery.

#### Failure (F)

Little evidence of familiarity with the subject matter; weakness in critical and analytic skills; limited or irrelevant use of literature. Students have demonstrated little evidence of ability to discover and innovate, and shown little evidence of accomplishments in discovery.

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Mid-term exam

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### **Assessment Task**

Problem sets

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## **Part III Other Information**

### **Keyword Syllabus**

1. Nominal and Real GDP.
2. GDP Deflator.
3. Consumer Price Index.
4. Economic Growth, Productivity and Living Standards.
5. Workers, Wages and Unemployment.
6. Saving and Capital Formation.
7. Money, Prices and Central Banks.
8. Business Cycles.
9. Planned Aggregate Expenditure.
10. Fiscal and Monetary Policy.
11. Open Economy
12. Exchange Rates

### **Reading List**

### **Compulsory Readings**

| Title |  |
|-------|--|
| 1     | R. Glenn Hubbard & Anthony p. O' Brien. Macroeconomics. PEARSON. |

**Additional Readings**

| Title |  |
|-------|--|
| 1     | <a href="http://www.economist.com">www.economist.com</a>                 |
| 2     | <a href="http://www.bloomberg.com">www.bloomberg.com</a>                 |
| 3     | <a href="http://www.wsj.com">www.wsj.com</a>                             |
| 4     | <a href="http://www.info.gov.hk/hkma/">www.info.gov.hk/hkma/</a>         |
| 5     | <a href="http://www.stats.gov.cn/english/">www.stats.gov.cn/english/</a> |