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Please include “BA 626” in the subject line
(I will try my best to respond within 2 days)
Office Hours: Monday (3:00-3:45pm) and Thursdays (12:00-12:45pm), and by appointment

Course Objectives

- This course introduces descriptors and models of various economic environments in which firms operate and illustrates their applications to decision-making, market structure, pricing, measures of economic conditions, markets, and governmental policy.

Student Learning Outcomes

- Explain how market prices are determined within the major market structure types.
- Employ government macroeconomic statistics to assess the current business climate.
- Apply interest-rate and exchange-rate models to forecast the impact of shocks and policy decisions on market rates.
- Assess the impact of governmental economic policies, especially monetary policy, on the business climate.
- Identify, gather, and analyze evidence about demand conditions and price elasticities to develop pricing policies and strategies.
- Explain how a firm can judge whether it is employing the optimal mix of inputs.
- Identify and analyze the economic costs of firms
- Determine the existence of economies of scale and scope and assess their impact on a firm’s competitive position.

Course Grade

- A, superior performance; B, satisfactory performance; C, minimally passing; D, unacceptable for graduate degree credit; and F, failing. Final course grades will be curved.
- Your course grade will be based on six components with the following weights:
  - Midterm Exam 25%
  - Final Exam 30%
  - Term Project 25%
  - Class Participation 5%
  - Quizzes 5%
  - Case 10%

Exams

1 A brief bio of Dr. Juneja is given in Appendix A at the end of the syllabus.
• The Midterm Exam will be given during Week 8.
• The Final Exam is TBD.
• The exams will be closed-book, closed notes, and will cover material from the textbook, the lectures, as well as the spreadsheets. The exams will contain problems and essays; which will include both quantitative problems and conceptual questions. Quantitative problems may require a calculator and so I advise you to have one handy during the exam.
• Requests to have an exam re-graded must be submitted in writing and within one week of the return of the exam.

Term Project

• The Term Project is due during Week 16.
• The goal is for students to use microeconomic theory to conduct a thorough, in-depth analysis of a particular firm.
• The Term Project is an individual assignment.
• Requisite background material to complete the term project obtains from topics covered during Weeks 9-15.
• Term project guidelines are contained in the folder “Lecture 1 (Course Introduction)-Week 1”

Participation

Participation is a very important aspect of the class. Participation depends upon attendance in class and being active in class discussions.

Quizzes

There will be six in-class quizzes. They will consist purely of multiple-choice questions and will be closed book, closed notes. The purpose of these quizzes is to enable you to stay on top of the material. Exam questions will draw upon knowledge tested in the quizzes.

Case

• The Case is due during Week 7.
• The goal is for students to learn about an application of macroeconomics to a real world problem.
• The Case is an individual assignment.
• Requisite background material to complete the term project draws from Lectures 2 to 6.
• To access the case, please click here:
  o https://cb.hbsp.harvard.edu/cbmp/access/38932858
**Textbook Readings**

- The first required textbook is *Managerial Economics and Business Strategy*, Michael R. Baye, Eighth Edition, McGraw-Hill Irwin. The Book has a study guide, which is available in the bookstore. Purchasing this study guide is recommended.
- The second required textbook is *Economics*, Dean Karlan and Jonathan Murduch, First Edition, McGraw-Hill Irwin. I have ordered connect, which is a learning tool that offers extra practice, with this book. Purchasing connect is useful.
- The bookstore has a special custom-made text that combines the required chapters from these books. Purchasing the custom text is strongly recommended.

**Homework Problems**

- Relevant problems will be assigned.
- Homework problems are for your practice and will not be graded or collected. However, doing them will very much help improve your performance on exams.
- Solutions will be posted to Blackboard in a timely manner.
- Problems from K&M textbook are contained under the section headed “Problems and Applications”.

**Appendix A**

Januj Juneja, Ph.D.

B.S. (Electrical Engineering) Georgia Institute of Technology 2002  
M.B.A. (Finance) Seton Hall University, 2005  
Ph.D. (Finance, Mathematics, and Econometrics) University of Arizona, 2010

Dr. Juneja is an assistant professor of finance. He completed his finance doctorate studies under Professor Christopher Lamoureux, Ph.D.; Mathematics under Professor Joseph C. Watkins, Ph.D.; and Econometrics under Ronald Oaxaca, Ph.D. His dissertation was titled “An Assessment of Econometric Methods Used in the Estimation of Affine Term Structure Models”. His research interests lie in the area of financial econometrics, investments, and derivatives. Dr. Juneja is a member of the Financial Management Association, European Finance Association, Western Finance Association, and American Finance Association.
# Meeting Schedule – Fall 2015

<table>
<thead>
<tr>
<th>Week</th>
<th>Topics</th>
<th>Readings Due</th>
<th>Problems Due</th>
<th>Recurring Topics</th>
<th>Items Due</th>
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<tr>
<td>1 (August 24)</td>
<td>Course Introduction, Economic Profits, and Marginal Analysis</td>
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<tr>
<td>2 (August 31)</td>
<td>Marginal Analysis, Measures of economic conditions</td>
<td>Baye: Ch. 1 (skip 8-19, top), K&amp;M: Ch. 24 (skip 43-46, 52-58)</td>
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<tr>
<td>3 (September 7)</td>
<td>Measures of economic conditions</td>
<td>K&amp;M: Ch. 27 (skip 74-79)</td>
<td>Ch. 1: 8, 14</td>
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<td>QUIZ 1</td>
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<tr>
<td>4 (September 14)</td>
<td>Topics on Aggregate Demand/Supply</td>
<td>K&amp;M: Ch. 28</td>
<td>Ch. 24: 8</td>
<td>Ch. 27: 2, 10</td>
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<tr>
<td>5 (September 21)</td>
<td>Topics on Aggregate Demand/Supply, Inflation, Monetary Policy (MP)</td>
<td>K&amp;M: Ch. 31 (131-146, top, skip 135-136), Ch. 32 (151-153, 166-177, top)</td>
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<td>6 (September 28)</td>
<td>MP, Exchange Rate Determination</td>
<td>K&amp;M: Ch. 34 (196-209, top, skip 202-207)</td>
<td>Ch. 28: 7,8, 12</td>
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<td>QUIZ 2</td>
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<td>7 (October 5)</td>
<td>Case, Midterm Exam Review</td>
<td>-</td>
<td>Ch. 31: 11,12,13,15,16 Ch. 32: 13,14,17 Ch. 34: 8,15,17</td>
<td>-</td>
<td>QUIZ 3 CASE</td>
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<tr>
<td>8 (October 12)</td>
<td>Midterm (Lectures 1-6)</td>
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<td>MIDTERM</td>
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<tr>
<td>9 (October 19)</td>
<td>Supply and Demand, Elasticity of Demand</td>
<td>Baye: Ch. 2</td>
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<tr>
<td>10 (October 26)</td>
<td>Elasticity of Demand, Production Theory</td>
<td>Baye: Ch. 3 (skip: 279-292)</td>
<td>Ch.2: 1, 2, 8, 11-14</td>
<td>Marginal Analysis</td>
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<tr>
<td>11 (November 2)</td>
<td>Production Theory, Market Structure</td>
<td>Baye: Ch.5</td>
<td>Ch. 3: 1, 4-6, 11, 14</td>
<td>Marginal Analysis</td>
<td>QUIZ 4</td>
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<tr>
<td>12 (November 9)</td>
<td>Market Structure, Managing in Various Market Structures</td>
<td>Baye: Ch. 7 (skip pp. 355-362 and 365-368)</td>
<td>Ch. 5: 2, 5, 11, 12, 16-19</td>
<td>Marginal Analysis, Supply and Demand</td>
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<tr>
<td>13 (November 16)</td>
<td>Managing in Various Market Structures, Pricing Strategies</td>
<td>Baye: Ch. 8 (skip pp. 414-416) Ch. 7: 1,2,6, 11, 14</td>
<td>Marginal Analysis</td>
<td>QUIZ 5</td>
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<td>14 (November 23)</td>
<td>No-class (Thanksgiving holiday)</td>
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<td>15 (November 30)</td>
<td>Pricing Strategies, Final Exam Review</td>
<td>Baye: Ch. 11</td>
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<td>Supply and demand, Marginal Analysis</td>
<td>QUIZ 6</td>
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<td>16 (December 7)</td>
<td>Final Exam Review</td>
<td>-</td>
<td>Ch. 8: 3, 6, 12-14, 17, Ch. 11: 2-4, 14, 16</td>
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<td>TERM PROJECT</td>
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