

**Name of the Programme** : MBA (Financial Services)  
**Course Code** : MGF-621  
**Course Title** : Macroeconomics  
**Number of Credits** : 4  
**Effective from AY** : 2022-23

<b>Pre-requisites for the Course:</b>	NIL	
<b>Course Objectives:</b>	To enable the learners to understand the dynamics of macroeconomics and its linkage with financial markets.	
<b>Content:</b>	<b>Unit 1</b> <b>Introduction to Macroeconomics</b> <i>Economics:</i> Introduction, Microeconomics and Macroeconomics, Significance of Macroeconomics for the financial sector, Concept of 'equilibrium' in economics, Changing composition of India's economic environment and latest trends.	10 Hours
	<b>Unit 2</b> <b>Macroeconomic Indicators</b> <i>Macroeconomic Indicators:</i> Inflation, Measurement of Inflation, Impact of Inflation on Macroeconomic Variables, Controlling Inflation - Interest Rates: Factors affecting the level of Interest Rate, Impact of Interest Rates, Real Interest Rate – Exchange Rate - National Income Accounting – Balance of Payment – Imports and Exports - Unemployment - Saving and Investment in India – Impact of Macroeconomic Indicators on Financial Markets.	20 Hours
	<b>Unit 3</b> <b>Role of Government and Fiscal Policy</b> <i>Government and Fiscal Policy:</i> Role of the Government in an Economy, Government Expenditure and Revenue: Understanding the Government accounts, Deficit Indicators, Financing of the deficit by the Government, Fiscal Deficit and Sustainability of Internal Debt, Fiscal policies and their impact on the Financial Markets – <i>Union Budget:</i> Meaning, Relevance of Union Budget in Indian economy, Impact of Union Budget on Financial Markets.	15 Hours
	<b>Unit 4</b> <b>Money and Monetary Policy</b> <i>Money and Monetary Policy:</i> Role of Money, Components of Money in India, Demand for Money, Supply of Money, Different roles of RBI in India, Role of Commercial Banks in Money Supply, Other Instruments of Money Supply, Market Stabilization Scheme, Foreign Exchange Intervention, Taper Tantrum, Use of Monetary policy.	15 Hours
<b>Pedagogy:</b>	Lectures/ classroom discussion/ discussion using relevant research papers/ presentation/case study/ group project/ assignment or a combination of some of these. The sessions shall be interactive to enable peer group learning.	
<b>References/ Readings:</b>	<ol style="list-style-type: none"> <li>1. Dwivedi, D. N. (2010). <i>Macroeconomics - Theory and Policy</i>. McGraw Hill Education.</li> <li>2. Iyengar, M. (2011). <i>Money Matters: Macro Economics and Financial Market</i>. Sage Publication Pvt. Ltd., India.</li> <li>3. Rangarajan, C., &amp; Dholakia, B.H. (2001). <i>Principles of Macroeconomics</i>. McGraw Hill Education.</li> <li>4. Ahuja, H. L. (2016). <i>Principles of Microeconomics</i>. S Chand Publishing</li> </ol>	

	NCFM Macroeconomics for Financial Markets Module, NSE. (2022).
<b>Course Outcomes:</b>	<p>Upon completion of this course, the students will able to:</p> <p><b>CO1:</b> Explain the significance of macroeconomics in financial markets.</p> <p><b>CO2:</b> Evaluate the impact of various macroeconomic indicators on financial markets.</p> <p><b>CO3:</b> Evaluate the impact of fiscal policies on financial markets.</p> <p><b>CO4:</b> Evaluate the impact of monetary policies on financial markets.</p>