

## Coaching Actuaries VEE Microeconomics Syllabus

Updated on 05/06/2019

**To ensure course success, read the syllabus and its instructions completely. Failure to abide by course requirements may result in course failure.**

### Course Instructor & Coaches

- Mike Carmody, FSA, CFA, MAAA (Instructor)
- Tong Khon Teh, FSA, CFA (Coach)
- Terence Chow, ASA, CFA (Coach)
- Jia Bin Ho, ASA, CFA (Coach)

Students can ask questions on the VEE discussion forum or email a coach at [vee\\_micro@coachingactuaries.com](mailto:vee_micro@coachingactuaries.com). A coach will respond to student emails Monday - Friday.

### Course Objectives & Components

There are no prerequisites for this course. The course aims to introduce key concepts in microeconomics. The learning outcomes for this course are included below.

The student should be able to:

- a. Analyze the interaction between supply and demand in determining transaction prices and quantities.
- b. Calculate the elasticity of demand and supply and describe its relevance to understanding markets.
- c. Analyze the theory of the consumer, which addresses the decisions that consumers make about consumption.
- d. Analyze the theory of the firm, which addresses the decisions by profit-maximizing firms about pricing, output, and employment.
- e. Analyze the behavior of firms in different market structures including perfect competition, monopolistic competition, oligopoly, and pure monopoly.

Due to the 120-day self-paced nature of this course, we must be stringent with our requirements:

- The course begins at the time of purchase and assignments and the final exam must be completed within 120 days, unless a course is put on hold for a \$25 fee (contact [support@coachingactuaries.com](mailto:support@coachingactuaries.com)).
- You are required to complete all assignments before the final exam.
- The final exam must be scheduled and proctored. See “Proctor for Final Exam” below.

### Course Grade Composition

The course grade is composed of the following:

- 5 graded assignments: 50% (10% each) of your final grade
  - Once you begin an assignment, you will have 24 hours on a timer to complete it (you have the ability to pause and resume the timer as you would like).
  - The first attempt on each assignment will be scored and weighted toward the final grade, however, you may complete assignments more than once for extra practice.

- For extra practice, you can take each assignment as many times as you like (submissions beyond the first attempt do not count toward your final grade).
- One 1.5-hour final exam, 60 questions (proctored): 50% of your final grade

*Letter grades are: A: 85 - 100%, B: 75 - 84%. Students need at least a B to pass the course.*

Coaching Actuaries (CA) emails grade slips to candidates and SOA/CAS on the 1st and 15th of every month. If you pass the course(s), CA will submit your grade and name to the SOA directly. You need to apply for VEE credits online with SOA but you do *NOT* need to send the grade slip to the SOA. To apply for credit visit: <https://www.soa.org/Education/Exam-Req/edu-vee.aspx>.

### Course Materials

The textbook for this course is **highly recommended but not required**, and can be purchased from VitalSource at <https://store.vitalsource.com/show/9781119030522>. The textbook is only available in electronic format.

If you are outside North America, we recommend this text:

Piros, et.al. Economics for Investment Decision Makers (1st Edition). Hoboken, NJ: CFA Institute, 2013. ISBN – 13: 978-1118105368

### Course Structure

- The course is partitioned into suggested weekly units, but you can complete the course at your own pace. For each unit read the online manual, watch the instructional video(s), and complete the assignments. To prepare for the assignments, we recommend solving the examples in the online manual on your own.
- Adapt Exam Engine generates assignments and the final exam, which recreates the CBT testing style of SOA **multiple-choice** exams.

### Chapter Sequence

This course follows the sequence as outlined below:

Units	Topic
Unit 1	<b>Reading 13: Demand and Supply Analysis: Introduction</b> <ul style="list-style-type: none"> <li>● Introduction</li> </ul>
Unit 2	<b>Reading 13: Demand and Supply Analysis: Introduction</b> <ul style="list-style-type: none"> <li>● Demand Function and Curve; Supply Function and Curve</li> <li>● Market Equilibriums; Auctions</li> <li>● Consumer, Producer, and Total Surplus</li> </ul>
Unit 3	<b>Reading 13: Demand and Supply Analysis: Introduction</b> <ul style="list-style-type: none"> <li>● Market Interference</li> <li>● Demand Elasticities</li> </ul> <p>Assignment 1 covers Reading 13</p>
Unit 4	<b>Reading 14: Demand and Supply Analysis: Consumer Demand</b> <ul style="list-style-type: none"> <li>● Introduction, Consumer Theory, and Utility Theory</li> <li>● The Opportunity Set</li> </ul>

Unit 5	<p><b>Reading 14: Demand and Supply Analysis: Consumer Demand</b></p> <ul style="list-style-type: none"> <li>• Consumer Equilibrium</li> <li>• Revisiting the Consumer’s Demand Function</li> </ul> <p>Assignment 2 covers Reading 14</p>
Unit 6	<p><b>Reading 15: Demand and Supply Analysis: The Firm</b></p> <ul style="list-style-type: none"> <li>• Introduction and Objectives of the Firm</li> <li>• Analysis of Revenue, Costs, and Profits – Profit Maximization</li> <li>• Analysis of Revenue, Costs, and Profits – Productivity</li> </ul> <p>Assignment 3 covers Reading 15</p>
Unit 7	<p><b>Reading 16: The Firm and Market Structure</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Perfect Competition</li> <li>• Monopolistic Competition</li> </ul> <p>Assignment 4 covers the 3 topics listed above in Reading 16</p>
Unit 8	<p><b>Reading 16: The Firm and Market Structure</b></p> <ul style="list-style-type: none"> <li>• Oligopoly</li> <li>• Monopoly</li> <li>• Identification of Market Structure</li> </ul> <p>Assignment 5 covers the 3 topics listed above in Reading 16</p>
Unit 9	<b>Study for Final</b>
Unit 10	Final Exam (covers Reading 13 – Reading 16)

Before the final exam, review all the assignments and watch the corresponding videos or read the corresponding sections of the manual for the topics that you are weak in. *Note: the course does not provide additional practice problems beyond the ones in the assignments.*

### Proctor for Final Exam and Final Exam Details

Schedule your final exam **two weeks** in advance by emailing [proctoring@coachingactuaries.com](mailto:proctoring@coachingactuaries.com).

*You have two options to select a proctor:*

1. CA offers free proctoring services using Zoom technology from **8:30 am - 4:00 pm Central Time** on Mondays-Fridays. State your preferred date and time in your email.
  - Saturday hours are **8:00 am - 12:00 pm Central Time** for a small [\\$25 weekend fee](#).
  - If you need to reschedule, you will be charged a fee of \$25.
2. Schedule the exam **by emailing your proctor’s name and email address to [proctoring@coachingactuaries.com](mailto:proctoring@coachingactuaries.com)**. The exam link will be provided to the proctor.
  - A student-chosen proctor must be: *an FSA (in good standing). If an FSA is not available, other acceptable designations would be: FCAS, FCIA, FFA, FIA, FIAA, FSPA, CFA, ASA, ACAS. If no Fellow/Associate is available, a high-ranking member of management who is not able to sit for exams, such as Vice President of Human Resources, or a university professor may also serve. The proctor may not be a relative of the candidate.*

### Exam Procedures:

1. The exam is closed-note. A calculator, writing device, and blank scratch paper are allowed.
2. Prior to the exam your proctor will check:

- Photo identification with name printed in Latin alphabet letters (passport, driver's license, or identification card)
  - Calculator is cleared of memory, scratch paper is blank, workspace is clear of notes/books
  - Do **NOT** use **Internet Explorer** due to submission errors. Any other browser is fine.
3. Proctor will provide the exam link to student; the exam will generate once link is accessed.
  4. When finished click 'Submit and Score'. Final exam results will be displayed.

If you do not pass the course, your original purchase comes with a one-time Pass Guarantee. You will retake the course assignments and final exam free of charge. Please contact [support@coachingactuaries.com](mailto:support@coachingactuaries.com) for assistance in this process.