

**HKUST Dept of Economics**  
**Econ 2103 L4, L5, & L6 (3 credits)**  
**Principles of Microeconomics**  
**Spring 2026**

Exclusion(s)

*ECON 2113, ECON 3113, ECON 3133, SOSC 1440, Level 3 or above in HKDSE Economics*

**Course website:** <https://canvas.ust.hk>

**Lecture time:** L4: Wed 04:30-05:50PM; Fri 04:30-05:50PM **Venue:** LG 3008  
L5: Wed 03:00-04:20PM; Fri 03:00-04:20PM **Venue:** LG 3008  
L6: Mon 04:30-05:50PM; Fri 12:00-01:20PM **Venue:** LSK 1034

**Tutorial:** T4: Thu 06:00-06:50PM at LSK 1014  
T5: Tue 12:00-12:50PM at LSK 1007  
T6: Thu 05:00-05:50PM at LSK 1007

**Instructor:** YU, Yan Kelly

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Office hours: Mon 3:00-3:30PM

Office: LSK 6083B

**Teaching Assistant:** Tsoi, Pang

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Office hours: by appointments

Office: LSK 6066

**Course Description:**

As an introductory course, this course intends to cover fundamental concepts and theories used in microeconomic analysis. Economics provides a powerful way of thinking which helps you to understand many economic and social phenomena. I'll use many real world examples to enhance your learning. By studying how consumers and firms make decisions, you will understand how a market works to allocate resource into most valued uses. You will also learn when markets don't work and what some remedies are in that case. Firms' optimal decision under different market structures will also be studied.

**Course Intended Learning Outcomes (Course ILOs)**

Upon completion of this course, you will be able to:

1. Understand and apply theories on markets: including the market price determination, the efficiency and fairness of market system, the conditions under which markets can perform well, and how the market will change in responding to changing environment. (SILO 1, 3)
2. Understand the framework to address the role of government and able to apply it: when and in which direction the government should intervene the markets, also how to evaluate the impact of relevant government's policies on markets.(SILO 1, 3)
3. Understand consumers' optimal decision making and apply it. (SILO 1, 3)
4. Understand firms' optimal decision making under different market structure and apply it. (SILO 1, 3)
5. Understand the economic methodology and be able to apply it. (SILO 1, 3)

For the details of SILOs, please refer to:

<https://bmundergrad.hkust.edu.hk/academics/academic-programs/learning-outcomes>

### Teaching Approach

This course is primarily delivered through lectures and tutorials.

Teaching and learning activities	Roles in the course	Course ILOs addressed
Lectures	Learn key concepts and models and their applications	1,2,3,4,5
Tutorials	Review basic math, discuss answers to homework questions and additional economic issues	1,2,3,4,5

There is no tutorial in the first week.

### Textbook:

Required: Mankiw, *Principles of Microeconomics 10e*, Asia Edition, Cengage.

ISBN: 9788000044606

### Assessment:

Assessment Activities	Weighting	Course ILOs assessed
Class Participation	3%	
Best 5 of 6 homework assignments	10%	1,2,3,4,5
1 midterm exam	0% or 27%	1,2,3,4,5
1 final exam	87% or 60%	1,2,3,4,5

Your total score is based on the higher of the two weighting schemes:

Scheme 1: 3% CP + 10% HW + 27% Midterm + 60% Final

Scheme 2: 3% CP + 10% HW + 87% Final

For every lecture you attend, you earn 0.15% as class participation, up to 3%. Every section has 24 lectures. There is no lecture on Feb. 16 (Monday) for L6.

You will be given 6 homework assignments during the semester via Canvas. Late homework will NOT be accepted. Only best 5 of the 6 homework assignments will be counted towards your grade. Homework is not graded precisely. As long as you submitted the homework and got most of the questions correctly, you will receive full marks for that homework. Copying others' homework is cheating and will be reported to the school and subject to formal investigation.

Assessment is based on detailed Topic intended learning outcomes, which will be provided at the end of each topic.

**Midterm is scheduled on March 26, 2026 (Thursday) 7-9pm.** Classes will be held as normal during the midterm week.

There is no make-up for the midterm exam. If you miss the final exam with valid reason, you'll have a make-up exam scheduled within 24 hours of the missed final. Sick-leave notice must be issued before the exam time, if any. You must inform me before the exam time if you will miss the final exam. Final exam covers all topics taught, with more weight on topics not covered in the midterm exam.

Please check website for your grade of homework assignments and midterm as soon as you get them back. Any discrepancy should be reported to TA within 1 week from the date of returning your assignments and midterm. Late complaints will not be entertained.

A total score of 90 points or above guarantees A range score regardless of class average score. 80 points guarantees a B range score.

### **Course AI Policy**

Use generative AI to facilitate your study is encouraged. For homework assignments, please work out the questions by yourself first before getting help from generative AI. But you're allowed to use generative AI for homework. Midterm and Final exams are closed-book, closed-note exams. Use of generative AI is not allowed for exams.

### **Academic Integrity**

**Please read the information on academic integrity carefully and follow the instruction: <https://registry.hkust.edu.hk/resource-library/academic-honor-code-and-academic-integrity> . You should be familiar with Academic Honor Code and the content on Academic Integrity website.**

I try my best to make the course requirement as clear as possible. When you have any question and when you encounter any difficulty in studying, please do not hesitate to consult me either in or out of class throughout the semester. I'd be delighted to help you succeed in the course. Please remember that ultimately it is you who are responsible for your performance in the course. It is that you earn the grade, not I give you the grade! You know what grade you need to earn (or want to earn) for graduation, scholarships, exchange opportunities, honors, etc. So, when the grade is out, one thing that I absolutely will **NOT** do is to change your grade because what you want (need) is different from what you get.

### **Course Outline**

#### **Part I. Introduction**

- Chapter 1&2. What is Economics
- Chapter 3. Gains form Trade

#### **Part II. How Markets Work**

- Chapter 4. Demand and Supply
- Chapter 5. Elasticity
- Chapter 7. Efficiency and Equity
- Chapter 6 & 8. Government Policies
- Chapter 9. International Trade

#### **Part III. Firms and Organization of Industry**

- Chapter 13. Cost of Production and Market Structure

Chapter 14. Perfect Competition

Chapter 15. Monopoly

Chapter 17. Oligopoly

**Part IV. Additional Topics (if time allows)**

**Grading Rubric:**

<b>Grades</b>	<b>Short Description</b>	<b>Elaboration on subject grading description</b>
A	Excellent Performance	Students demonstrate a strong grasp of the course material and effective application of economic methods taught. They excel in problem sets, and perform exceptionally on exams. They exhibit exceptional analytical skills and critical thinking skills. Consistently contribute to class discussion.
B	Good Performance	Students demonstrate a solid understanding of course materials, proficient use of economic methods taught. They are competent in completing problem sets. They show commendable analytical skills and effective critical thinking. Regular participation in class discussion.
C	Satisfactory Performance	Students demonstrate an adequate understanding of course material, and can apply economic methods taught to familiar problems. They are able to complete problem sets in time. They display acceptable analytical skills and critical thinking in exams and participate in class discussion.
D	Marginal Pass	Students demonstrate basic understanding of course material, inconsistent use of economic methods taught, and marginal performance in problem sets. They show basic analytical skills and critical thinking in exams. Their participation in class discussions is inconsistent.
F	Fail	Students demonstrates insufficient understanding of the course material and lacks the necessary problem-solving skills. They display limited ability to think critically or analytically and exhibits minimal effort towards achieving learning goals. Their participation in class discussion is minimal.

**Student Counseling**

The Counseling and Wellness Center is in Room 5332, Academic Building (via Lift 3). Their telephone number and email address are 2358 6699 and [counsel@ust.hk](mailto:counsel@ust.hk), respectively. You can also make an online appointment with student counselors ([https://counselapp.hkust.edu.hk/do.php?p=https%3A%2F%2Fcounsel.hkust.edu.hk%2Fmake\\_an\\_appointment.php](https://counselapp.hkust.edu.hk/do.php?p=https%3A%2F%2Fcounsel.hkust.edu.hk%2Fmake_an_appointment.php)). Outside office hours, you can call 8208 2688, which is a 24-hour helpline for all HKUST students.