ECON 3113
MICROECONOMIC THEORY I (L2)

Semester: Spring 2026   Credits: 4
Lecture time: Tuesday and Thursday 10:30am – 11:50am   Lecturer: Prof. S. F. Leung
Classroom: 6573 (Lift 29-30)   E-mail: sfleung@ust.hk
Homepage address: https://canvas.ust.hk/courses/68097   Tel: 2358-7618

TEXTBOOK

Christopher Snyder and Walter Nicholson (2026): *Microeconomic Theory: Basic Principles and Extensions* (13th Edition). Cengage.

READINGS

The Canvas course homepage contains all the lecture notes, readings, and announcements.

OBJECTIVE

This course presents an in-depth study of some basic topics in microeconomics with a special emphasis on using a rigorous analytical and mathematical approach. We will study demand theory, uncertainty, and asymmetric information. Multivariate calculus will be extensively used. Intuition will be emphasized.

INTENDED LEARNING OUTCOMES

In the language of the AACSB AOL Assessment, we focus on Goal 3 and its objectives:

Goal 3 Graduates will demonstrate a broad understanding of business functions and in-depth knowledge of their major.
Objective 3.1 Demonstrate a broad understanding of different business functions and domains to formulate integrated solutions.
Objective 3.2 Demonstrate substantial knowledge of their business major to solve business problems.

In the language of the department's Program Intended Learning Objectives, we focus mainly on Goals 1 and 3.

Goal 1 Graduates will be critical and all rounded thinkers who make decisions supported by analytical and statistical techniques on economic problems/issues.
Goal 3 Graduates will apply their knowledge of economics principles and skills to analyze

economic questions in different business functions quantitatively.

Specifically, upon completing the course, students are expected to be able to
- identify core economic issues and make key assumptions (Objective 1.1);
- demonstrate proficiency in using taught analytical and statistical techniques (Objective 1.2);
- demonstrate substantial knowledge of various economic principles to solve economic problems (Objective 3.1); and
- use economic knowledge to provide recommendations for different business functions (Objective 3.3).

TEACHING APPROACH

This course is delivered primarily through lectures and tutorials. Students are expected to attend classes and tutorials regularly and on time, and to participate actively in class/tutorial discussions. A considerable amount of time will be devoted to class and tutorial discussions as they play a major role in learning.

PREREQUISITE

ECON 2103 or ECON 2113

GRADING

The weights determining the course grade are as follows:

Class participation	3%
Tutorial participation	1%
Homework assignments	12%
Midterm exam	27%
Final exam	57%

Students are strongly encouraged to participate actively in class and tutorial discussions, which constitute a very important part of the course.

There will be a homework assignment almost every week after the add/drop period. The weekly assignments will be posted on Canvas on Fridays and due on the following Thursdays. You have to submit your homework answer via Canvas and ensure that it is completely and successfully uploaded. Solutions will be posted on Canvas and more challenging questions will be discussed in tutorials. You are allowed, and indeed encouraged, to discuss the homework problems with your classmates, but **you must write the answers all by yourself**. All parties involved in plagiarism will severely be punished. You are allowed to use generative artificial intelligence (AI) to aid you in any manner. However, you must give proper credit for any use of generative AI. Late homework will not be accepted. Homework grading will be based primarily on effort instead of accuracy. Your final homework score will be the average of the weekly scores after dropping the lowest one.

There will be one midterm exam (80 minutes) and one final exam (180 minutes), and both are closed-book. No makeup exam will be given. Cheating in exams is strictly forbidden. If a midterm exam is missed for legitimate and documented reasons, the 27% weight will be shifted to the final exam.

GRADING RUBRICS

A Range: Excellent Performance
Students demonstrate a strong grasp of course materials, effectively utilize tools introduced, excel in problem sets, and perform exceptionally on the midterm and exam. They display exceptional analytical skills, critical thinking, and effective class participation.

B Range: Good Performance
Students exhibit a solid understanding of course materials, proficient use of tools introduced, and competent completion of problem sets. They perform reasonably well on the midterm and exam. They show commendable analytical skills, effective critical thinking, and class participation.

C Range: Satisfactory Performance
Students demonstrate an adequate understanding of course materials, satisfactory use of tools introduced, and completion of problem sets. Their performances on the midterm and exam are fair. They display acceptable analytical skills and class participation.

D: Marginal Pass
Students show limited understanding of course materials, inconsistent use of tools, and incomplete performance in problem sets. They perform poorly on the midterm and exam. Their class participation is minimal.

F: Fail
Students display a lack of understanding of course materials, inadequate use of tools, and unsuccessful completion of problem sets. Their performances on the midterm and exam are disappointing. They show little to no participation in class discussions.

Policy on Re-grading
In order to avoid problems associated with self-selection (grading mistakes can happen, but only the ones that reduce scores will be regraded), disputes on individual questions will result in re-grading of the entire exam by the instructor. The re-graded score will be final and it may be higher or lower than the original one. Requests for re-grading must be submitted in writing to the instructor within one week after the score is first published.

ACADEMIC INTEGRITY AND HONESTY

The University is a community designed for scholarship — for learning, teaching and research. Academic integrity and honesty are critical values in upholding HKUST's reputation as a community of scholars and its claim to the "intellectual property" created by staff and students. All students who join HKUST are therefore committed to an Academic Honor Code. (https://registry.hkust.edu.hk/resource-library/academic-integrity)

What happens if you are caught cheating?
The Student Disciplinary Committee can take away your eligibility for a degree; suspend you from the University, or simply dismiss you from the University.
(https://registry.hkust.edu.hk/resource-library/what-happens-if-you-are-caught-cheating)

TEACHING ASSISTANT

Teaching assistant:	Mr. Jeremy TO (E-mail: ecjeremy@ust.hk)
Office:	LSK 6066
Office hour:	By appointment
Tutorial hour:	Friday 10:30am – 11:20am
Tutorial room:	LSK 1007

RECOMMENDATION LETTER

Students often ask professors to write recommendation or reference letters for them in their job or graduate school applications. After many years of hard work, we have established a very good reputation for our programs and students. Good grades are neither necessary nor sufficient for strong recommendation letters. Nevertheless, good grades make it easier for professors to write strong recommendation letters.

COURSE OUTLINE

The course will cover the following topics and chapters in the textbook (12th edition):

- Economic Models   (Chapter 1)
- Mathematics for Microeconomics   (Chapter 2)
- Preferences and Utility   (Chapter 3)
- Utility Maximization and Choice   (Chapters 4, 16, 17)
- Income and Substitution Effects   (Chapter 5)
- Demand Relationships among Goods   (Chapter 6)
- Uncertainty   (Chapter 7)
- Asymmetric Information   (Chapter 18)