

ECU33021 — Money and Banking A

Module Information	
Module Code	ECU33021
Module Title	Money and Banking A
Department	Economics
Year Group	Junior Sophister
Module Personnel	Professor Maylis Avaro
Academic Year	2026-27
Credit Weighting	5
Semester	Semester 1
Contact Hours	e.g. 2 lectures per week

Module Content	
Module Description	<i>This module is formed by three pillars. The first one will introduce the core principles of banking and present an overview of financial instruments, financial markets and financial institutions. The second pillar will study fundamental concepts such as value and present value, bonds, interest rate determination, and foreign exchange. We will study how market interest rates are determined. The third pillar will put the focus on the economic theory behind financial intermediaries. We will discuss how the financial system can mitigate problems related to asymmetric information. This part of the module will also cover bank risk management, bank runs and financial crises.</i>
Module Learning Aims	
Learning Outcomes	<i>On successful completion of this module, you will be able to:</i> <i>Discuss the recent performance of financial markets in light of economic theory;</i> <i>Describe recent trends in the organization of the financial industry and recognize the main microeconomic theories of banking;</i>

Module Content	
	Describe the main financial instruments and the way in which they help redistribute risk between economic agents.
Indicative Reading / Resources	<i>Background Readings:</i> Cecchetti, Stephen G. and Schoenholtz, Kermit L. <i>Money, Banking and Financial Markets</i> 6th ed. 2021 Matthews, Kent and John Thompson. <i>The Economics of Banking</i>, 2nd ed. (Wiley, 2008) Mishkin, Matthews and Giuliodori. <i>The Economics of Money, Banking and Financial Markets, European edition</i> (Pearson, 2013) NB: Additional readings will be suggested in lectures

Assessment	
Assessment Components	Group work 30%, Exam 70%
Assessment Details	

Additional Information	
Prerequisites	ECU22011 & ECU22012 Intermediate Economics
Co-requisites	None
Any other information	