

Money, Banking and Financial Markets

Module Code	5ECON005W
Module Level	5
Length	Session Two, Three Weeks
Site	Central London
Host Course	London International Summer Programme
Pre-Requisite	None
Assessment	75% Examination, 25% Group Report

Summary of module content

This module is designed to provide an introduction to the flow of funds in the economy, the banking sector and to financial markets and systems, all of which are essential to the functioning of modern economies. Although the module is about financial systems in general, there will be frequent reference to contemporary issues and problems, and to their historical antecedents. The approach will incorporate a blend of published economic and financial data, and as far as possible, international comparisons.

Learning outcomes

By the end of the module the successful student will be able to:

1. Explain the conceptual framework for comparing the financial systems of different economies.
2. Distinguish between different types of financial system identifying components and appreciating the significance of particular financial developments.
3. Apply analytical frameworks and use relevant economic principles to describe the role and operation of money markets, financial markets and institutions
4. Disaggregate and assemble data to critically evaluate financial systems, including their structure, organisation and limitations
5. Collaborate within a group, appreciating different cultures, receiving and providing peer feedback, taking responsibility for own task and for negotiation with others on ideas and output.
6. Communicate information accurately and effectively both orally and in writing.

Course outcomes the module contributes to:

As an option module this does not contribute to course outcomes.

Indicative syllabus content

- Financial systems compared: essential components of financial systems; bank based, market based economies; financial developments; the flow of funds between the sectors and the process of intermediation and growth
- Financial markets and institutions: Participants and institutions involved in financial markets; Securities traded in these markets
- Money and Money Markets: monetary aggregates; the supply of money; credit creation; the demand for money.
- Banking industry: types of banks; the business of banking; competition and bank consolidation; financial innovation

- Central banking: The role of central banks and functions of central banks; ; policies of central banks; current issues in central banking
- History of financial crisis: Mechanics of financial crisis; past financial crises; policy responses

Teaching and learning methods:

The module will be delivered using a combination of weekly lectures, seminars and workshops.

Activity type	Category	Student learning and teaching hours*
Lecture	Scheduled	24
Seminar	Scheduled	24
Practical Classes and workshops	Scheduled	
Total Scheduled		48
Structured independent study	Independent	42
Module and course-based general study	Independent	42
Working on and taking assessments	Independent	68
Independent study	Independent	152
Total student learning and teaching hours		200

*the hours per activity type are indicative and subject to change.

Assessment rationale

The assessment strategy for this module is based on integrated formative and summative methods of assessments:

The *Group Report* will evaluate the depth of knowledge and the application of key concepts learnt in the curriculum. Student will participate in a group to prepare and submit a report on a topic, using a range of data sources. Each group will receive feedback from the tutors. The report will assess breadth of learning, academic writing and enhance students' skills of teamwork and cooperation.

The *examination* will assess students' conceptual and analytical knowledge of different financial systems, the operation of money and financial markets and the role of financial institutions.

Assessment criteria

- The criteria for the group report will focus on aspects such as the knowledge content, the rigour of arguments offered and the clarity of taught, the use of data to support the analysis, structure and the quality of presentation.
- In the examination the focus is inevitably on assessing the achievement of the learning outcomes of the module in terms of knowledge and analysis, and the ability to display this under time constraint.

Assessment methods and weightings

Assessment name	Weighting %	Qualifying mark %	Qualifying set	LOs	Assessment
Group Report	25	30	n/a	1,4,5,6,	Report (2,000 words)
Examination	75	30	n/a	1,2,3	Closed book exam (2¼ hours)

Synoptic assessment: Option; so does not contribute to synoptic assessment

Sources

Essential Reading List

Ball, L.M, (2012), *Money, Banking and Financial Markets*, Worth

Mishkin, F, (2013), *The Economics of Money Banking & Financial Markets* (European Edition), Harlow: Pearson

Further reading:

Howell, P, & Bain, K, (2007), *Financial Markets & Institutions* (5th ed), Harlow: Pearson (Prentice Hall)

Pilbeam, K, (2010) *Finance & Financial Markets* (3rd ed) Basingstoke: Palgrave Macmillan

Additional references:

Bank of England Quarterly Bulletin

OECD Financial Market Trends (tri-annual)

Bank for International Settlements

The Economist

Financial Times

www.ecb.org

www.bis.org

www.frb.org

www.IMF.com