

B.1.2.1.6. Money, Credit, Banks

Degree: Bachelor

Year: 3

Semester: spring

General workload: 5 ECTS credits, 180 hours

Goals and objectives of the course

To acquire fundamental knowledge of the theory of money, credit, monetary relations, and the banking system.

Place of the discipline within the curriculum

The course is included into a module of disciplines that is common for the program that reflects the university field of specialization. The course is part of bachelor degree program 38.03.01 in Economics, with the concentration in International Finance (in English).

Upon completing the course, the students should:

Know:

- Fundamental concepts of money and credit, national and international financial markets' operations and institutional structure, basics of supranational and national regulation;
- The system of financial and economic indicators used by the financial markets;
- The principles used by the decision-makers in the financial sector and banking.

Be able to:

- Independently examine the financial market condition and make forecasts as to the possible changes that could occur on the financial markets;
- Independently collect data, make financial calculations and interpret the results; using the findings, explain the nature of economic processes and phenomena;
- Identify the optimal way to solve specific financial and economic problems;
- Examine the financial market condition, identify the key trends and assess the financial market development prospects and examine the banking sector dynamics;
- Offer solutions to the economic problems and correctly assess the financial and economic consequences of the decisions made.

Have:

- A systemic understanding of the structure, mechanisms and instruments used on the financial markets, trends in key segments of financial markets and regulatory practices;
- Knowledge of the methods and techniques used for examining and forecasting economic changes in the financial sector and banking;
- Skills needed for making financial and other managerial decisions in the presence of uncertainty.

Key didactic units

The concept, evolution and functions of money. National and international monetary system development. The financial system and its role in the modern economy. The concept of the time value of money. The behavior of interest rates and the efficient market hypothesis. Determinants of the exchange rate. Money market and capital market instruments. Classification and brief description of financial instruments. The banking system and banking business models. The role of the Central Bank in the financial system. Money creation by banks and the demand for money. The monetary policy.

Course structure

Lectures, seminars, independent student work (incl. essays).

Summative assessment: examination