MN5310 – BANKING AND FINANCE

MODULE TYPE/SEMESTER: Core (20 credits), Semester 1

MODULE CO-ORDINATOR: Dr Pejman Abedifar

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AIM:
This module is designed to provide students with an in-depth knowledge and a rigorous background in the mainstream areas of modern banking and finance. To accomplish the objective, students will be introduced to the role of banks in the economy as delegated monitors and liquidity providers. They will be also acquainted to the issues associated with lending and borrowing such as credit rationing and debt overhang.

LEARNING OUTCOMES:
Students will understand concepts and macroeconomics of commercial banks. They will also be able to assess the microeconomics of banking products as well as their underlying risks.

TEACHING FORMAT:
Eleven weeks of teaching (two hours per week), supplemented by seminars.

TOPIC OUTLINE (Indicative):

  Topic 1. The Role of Financial Markets and Intermediaries in the Economy
  Topic 2. Financial Intermediation as Delegated Monitoring
  Topic 3. Outside Financing Capacity
  Topic 4. Lending Relationships and Investor Activism
  Topic 5. Commercial Banking and Shadow Banking
  Topic 6. Banks as Liquidity Providers
  Topic 7. Synergies between Lending and Deposit Taking
  Topic 8. Capital Structure in Financial Intermediation
  Topic 9. Systemic Risk in Banking
  Topic 10. Credit Crisis
  Topic 11. Islamic Banking

ASSESSMENT:
  Presentation: 10%
  Class test in week 7 (covering weeks 1-5): 20%
- Essay (2500 words) to be submitted in week 11: 20%
- Two hours written examination: 50%

READING LIST:

Textbooks:

Articles:
The list will be provided in the class.