



INSTITUTE
OF ECONOMIC STUDIES
Faculty of Social Sciences
Charles University

Introductory Banking

Spring Term

Professors: [Mgr. Magda Pečená Ph.D.](#)
[PhDr. Petr Teplý Ph.D.](#)

Office hours: by personal arrangement
Contact: magda.pecena@fsv.cuni.cz

Course Code: JEB126

Course Description:

This is an introductory course on banking. It provides students with an understanding of microeconomic, macroeconomic and political aspects of banking and financial markets. An analysis of financial institutions/banks is further developed by the assessment of their activities and key associated risks including credit, liquidity, market, operational risks and other non-financial risks. The course also outlines banking management techniques trying to create value for shareholders whilst keeping the risks in mind. Last but not least, the regulatory framework of the global banking industry will be discussed.

Structure:

For this course, there will only be lectures. There will not be any seminars.

Instructions:

Please contact the IEF staff to learn more about the instructions for this course, including meeting times and how to register.

Requirements:

Passing the mid-term test and the final written test(s) is necessary for passing the course.

Grading:

The final grade will consist of two parts. In total you can get 100 points.

- 1) Mid-term written test (30 pts)
- 2) Final written test (70 pts)

There will be one midterm test only. If you cannot attend the midterm exam you will be requested to provide confirmation that your health condition prevented you from attending it.

Grading:

- A: 90-100
- B: 75-89.9
- C: 60-74.9
- F: 0-59.9

Academic Honesty:

Although the students are encouraged to exchange ideas in and outside class, everybody is required to submit their own work. That means that copying the work of other students or published materials is strictly prohibited.

Course Content:

This is an introductory course on banking. It provides students with an understanding of microeconomic, macroeconomic and political aspects of banking and financial markets.

Schedule:

- 1) Basics of Banking Markets
- 2) Evaluation of Bank's Performance
- 3) Financial Markets
- 4) Money and Understanding Interest Rates
- 5) Central Banking
- 6) Managing Risk in Banking
- 7) Theory of Bank Regulation
- 8) Banking Capital
- 9) Credit Risk and Market Risk
- 10) Liquidity Risk
- 11) Operational Risk
- 12) Financial and Bank Crises

Reading Materials:

Obligatory textbooks (selected chapters)

1) Mejstřík, M., Pečená, M., Teplý, P. (2014). Banking in theory and practice. Prague: Karolinum Press

2) Mishkin, F S. (2010). The Economics of Money, Banking & Financial markets. Boston: Addison-Wesley