

Title: Monetary Finance and Banking

Course Number: 09010020

Session: 60

Credit: 3

Prerequisites:

Students should have learned the following two courses: “Microeconomics” and “Macroeconomics”.

Main Contents:

Monetary banking is the study of finance at the macro level, focusing on the functions and effects of money and the financial system in economic operation, as well as the relationship between monetary operation and economic operation. The course focuses on both the exposition of the basic theories of monetary economics and the introduction of practical knowledge related to the financial system, and emphasizes the integration with the Chinese reality. It helps students to understand the operation mechanism of the financial system and the relationship between finance and economic operation.

Main Chapter:

Chapter one: Preface:

- 1: The Study of Monetary Banking
- 2: Introduction to the Financial System
- 3: Introduction to the Monetary System

Chapter two: Interest Rate

- 1: Concepts and Measurement of Interest Rates
- 2: Yield to Maturity
- 3: The Term Structure and Risk Structure of Interest Rates

Chapter three: Financial Market

- 1: Money Market, Bond Market and Interest Rate Marketisation
- 2: Stock Market and its Development in China
- 3: Derivative Financial Markets and their Development in China

Chapter four: Financial Institution

- 1: Commercial Banks and their Development in China
- 2: Introduction to Non-Bank Financial Institutions
- 3: The Direction of Reform of China's Financial System

Chapter five: Central Banks and the Money Supply

- 1: Introduction to Central Banks
- 2: Central Banks and the Money Supply
- 3: Monetary Policy of Central Banks

Ways of Instruction: lectures with the supplement of class discussions

Textbooks and References:

Fan Conglai, Wang Yuwei and Zhou Geng, *Monetary Banking (5th Edition)*, Nanjing University Press, 2021.

Frederic S. Mishkin, *The Economics of Money, Banking and Financial Markets (11th Edition)*, Renmin University Press, 2021.

Instructor: Wang Yuwei, Zhou Geng

Course Evaluation: Final exam, group work and one experiment