

UNIVERSITÀ DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Microeconomics of Banking

2324-3-E1803M106

Learning objectives

The course aims to teach the role of banking institutions in financial intermediation, the nature of basic contracts of the industry, the industrial organization of banking and the regulation of the banking industry

Contents

The role of banking institutions

The nature of financial contracts

The industrial organization of banking

The regulation of the banking industry

Leverage and systemic risk

Detailed program

Week I, Imperfect information and credit markets

Week II, The debt contract

Week III, Credit rationing

Week IV, The role of financial intermediaries

Week V, Informations costs and banking intermediation

Week VI, Financial intermediation and payment systems

Week VII, Microcredit

Week VIII, Competition in the banking industry

Week IX, Optimal financial structure and financial intermediation

Week X, Financial fragility and bank runs

Week XI, The role of collateral guarantees and securitization

Week XII Prudential regulation

Week XIII, Capital requirements

Week XIV, Leverage and systemic risk

Week XV, The origins of banks and central banks

Week XVI, The common currency in Europe

Prerequisites

Basic microeconomic theory, statistics, financial maths

Teaching methods

Projection of slides and blackboard examples.

Assessment methods

The skills and knowlede acquired by the strudents are evaluated by means of a written exam. In the exam students are required to use both the ordinary language and the formal languages to analyze the problems. Student who pass the written exam can undertake an oral exam if they want to try to improve their performance.

Textbooks and Reading Materials

Lectures notes available on line

Semester

First semester

Teaching language

Italian

Sustainable Development Goals

QUALITY EDUCATION