



UNIVERSITÀ  
DEGLI STUDI DI MILANO-BICOCCA

## COURSE SYLLABUS

### Microeconomics of Banking

2425-3-E1803M106

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#### 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 knowledge acquired by the students are evaluated by means of a written exam, based on open questions. 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. Students have the option to take two mid-term exam instead of a final exam at the end of the course.

## **Textbooks and Reading Materials**

Lectures notes available on line

## **Semester**

First semester

## **Teaching language**

Italian

**Sustainable Development Goals**

QUALITY EDUCATION

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