UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Microeconomics of Banking

2425-3-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, 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