



ECONOMICS OF BANKING AND FINANCE MARKETS

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Department of Economic Sciences
IIT Kanpur

INTENDED AUDIENCE : Senior UG and PG Students

INDUSTRY SUPPORT : Academia, Public Policy institutions, Economic Environment Research, Consultancy and Financial firms

COURSE OUTLINE :

The course aims at providing adequate exposure to the basic concepts and policy issues related to the working of the financial markets nationally and globally. The course will cover basic economic theories related to banking and finance markets, and then will apply those to understand the working of both national and global monetary and other related economic variables. The course will follow a macroeconomic perspective and will discuss recent finance market developments and controversies. The course aim to develop the learning skills of the students in a way that they can apply their knowledge not only at the academic level but also at the managerial and leadership level in the field of financial sector.

ABOUT INSTRUCTOR :

Prof. Sukumar Vellakkal is working as Assistant Professor at Department of Economic Sciences, IIT Kanpur. Dr Vellakkal holds a PhD in economics from ISEC Bangalore. His teaching interest and expertise include macroeconomics, banking, financial economics, health economics and impact evaluation methodologies. Prior to joining IIT Kanpur, as faculty member he worked with various academic and research institutions, namely, ICRIER (New Delhi), PHFI (New Delhi), Azim Premji University Bangalore, and BITS Pilani.

COURSE PLAN :

Week 1: An overview of the financial system; debt (bond) markets

Week 2: Debt (bond) markets; interest rate determination

Week 3: Equity markets; basics of banking

Week 4: Banking sector

Week 5: Asymmetric information and the rationale for regulations of finance markets

Week 6: Asymmetric information; Conflicts of interest and rationale for regulations

Week 7: Rationale for regulations; financial crisis

Week 8: Financial crisis; central banking

Week 9: Central banking

Week 10: Central banking and monetary policy tools

Week 11: Effectiveness of policy

Week 12: Monetary policy tactics and strategies