

NAME OF THE COURSE		BANKING				
Code	EUBA02	Year of study	2.			
Course teacher	Full professor Ana Kundid Novokmet, PhD Full professor Marijana Ćurak, PhD	Credits (ECTS)	4			
Associate teachers		Type of instruction (number of hours)	L	S	E	F
			26		13	
Status of the course	Elective	Percentage of application of e-learning	30%			
COURSE DESCRIPTION						
Course objectives	To enable students to identify the significance and characteristics of banking intermediation, analyse the composition of the bank balance sheet, and classify and present banking activities.					
Course enrolment requirements and entry competences required for the course	Requirements for the course enrolment are regulated by the Statute of the Faculty of Economics, Business and Tourism and by the Rulebook of study programs and studying system.					
Learning outcomes expected at the level of the course (4 to 10 learning outcomes)	<p>Course learning outcome: Present the types and characteristics of bank activities and comment on the role of banks in the economy.</p> <p>Particular learning outcomes: 1. Identify the basic starting points of banking intermediation. 2. Establish the content of the central bank's operations. 3. Present the types and characteristics of banking products from the domain of passive operations. 4. Present the types and characteristics of banking products from the domain of active operations. 5. Identify the features of other banking activities.</p>					
Course content broken down in detail by weekly class schedule (syllabus)	Week	Lectures		Exercise		
		Topics	hours	Topics	hours	
	1	Monetary nature and financial intermediation of banks. Contemporary banking business. Positioning of banks in financial systems.	2	Information about the course. Discussion on the importance of (studying) banking. Assignment: The basic banking terminology.	1	
	2	Types of financial intermediation by banks.	2	Bank balance sheet. Practical task: Classification of the bank balance sheet items.	1	
	3	Banks against information asymmetry.	2	Discussion of the paper in the field of justification of bank presence on financial markets.	1	
	4	Banks in a risk management function.	2	Assignment: Comprehension check of various types of banking risks. Practical tasks: Calculations of the bank open position to market risk.	1	
5	Central banks: Position and importance in the banking system – Croatian National Bank in focus.	2	Types and ways of money creation. Practical tasks: Macromultiplication of deposits and loans.	1		

	6	Functions of the central bank (I): Money creation, foreign currency functions, financial services for the government – Croatian National Bank in focus.	2	Selected example of innovative forms of banking financial intermediation.	1	
	7	Functions of the central bank (II): Bank of the banks – Croatian National Bank in focus.	2	Selected example of the foreign central bank and the monetary sovereignty issue.	1	
	8	Functions of the central bank (III): Banking system oversight – domestic and international practice.	2	The foundation of the banking sector stability.	1	
	9	Banking stability: The basic principles of banking business – liquidity and profitability.	2	Assignment: Comprehension check of banking liquidity and profitability concepts. Practical tasks: Evaluation of bank liquidity and profitability.	1	
	10	Passive banking business – savings mobilization in focus. Types of deposits.	2	Prudent personal finance management and increase of the households saving potential.	1	
	11	Active banking business – financial sources allocation in focus. Types and conditions of loans approval.	2	Financing the needs of public importance.	1	
	12	Off-balance sheet banking business.	2	Guest lecture by the expert from the practice: Credit services to enterprises.	1	
	13	Financial innovations. Selected investment banking activities.	2	Selected financial innovation or business in the area of investment banking.	1	
Format of instruction	<input type="checkbox"/> lectures <input type="checkbox"/> seminars and workshops <input type="checkbox"/> exercises <input type="checkbox"/> on line in entirety <input type="checkbox"/> partial e-learning <input type="checkbox"/> field work		<input type="checkbox"/> independent assignments <input type="checkbox"/> multimedia <input type="checkbox"/> laboratory <input type="checkbox"/> work with mentor <input type="checkbox"/> guest lecture by the expert from the practice			
Student responsibilities	<p>To attain a signature, student has to regularly attend course – for the full-time student, minimum is 50% of lectures and exercises, and for the part-time student, minimum is 25% of lectures and exercises. To attain a signature, student is also required to actively participate in lectures and exercises. During the semester, in the weeks in which lectures and exercises are held, 4 self-evaluation tests will be organized. Students are required to try to solve each of the 4 online self-evaluation tests, which will be composed of problem tasks and/or quiz questions. Solving self-evaluation tests successfully is not a substitute for the written tests or exam, but can contribute to a higher positive grade. Two self-evaluation tests precede the first written test, after which the other self-evaluation tests will follow.</p>					
Screening student work (name the proportion of ECTS credits for each activity so that the total number of ECTS credits is	Class attendance	0,7	Research		Practical training	
	Experimental work		Report		Self-evaluation tests	0,3
	Essay		Seminar essay		(Other)	
	Tests	3*	Oral exam		(Other)	

<i>equal to the ECTS value of the course)</i>	Written exam	3	Project		(Other)	
Grading and evaluating student work in class and at the final exam	<p>Two written tests, written exam. The exam is conducted by the course teacher. The student can pass the exam if he/she passes both tests. In addition, the student's activity in the exercises will be evaluated. Students who are actively involved in exercise discussions, problem-solving and case studies and/or correctly write and present the paper on the topics offered can increase the final grade.</p> <p>* Positive assessment of both tests replaces the final written exam.</p> <p>During the semester there will be two written tests. A positively evaluated first written test is a requirement for the student's admission on second test. A student who achieves a positive assessment from both tests is not required to undertake the final written exam. The final grade is formed as the average grade of written tests scores and can be increased in case of special student's engagement in the exercises.</p> <p>Exam dates will be defined by exam calendar. Written exam consists of 10 questions/question blocks. Each answer is evaluated with maximum 10 points. For positive assessment, the student has to achieve minimum of 55 points. Score thresholds and corresponding grades for written exams: 55-69 points = sufficient (2); 70-79 points = good (3); 80-89 points = very good (4) and 90-100 points = excellent (5).</p>					
Required literature (available in the library and via other media)	Title			Number of copies in the library	Availability via other media	
	Kundid Novokmet, A. Course materials.			/	Merlin	
	Pojatina, D. (2004) <i>Dometi bankovnog posredništva</i> , Ekonomska misao i praksa, Vol. 13, No. 1, pp. 75-94.			1	Merlin	
	Rose, P. S., Hudgins, S. C. (2015) <i>Upravljanje bankama i finansijske usluge</i> . Zagreb: MATE.			12	/	
	Rose, P. S., Hudgins, S. C. (2013) <i>Bank Management & Financial Services</i> . USA: McGraw-Hill.					
	Katunarić, A. (1988) <i>Banka - principi i praksa bankovnog poslovanja</i> . Zagreb: CiP.			12	/	
Articles and materials selected for discussion and seminars.			/	Merlin		
Optional literature (at the time of submission of study programme proposal)	<p>Miller, L. R., VanHoose, D. D. (1997) <i>Moderni novac i bankarstvo</i>. Zagreb: MATE.</p> <p>Lovrinović, I., Ivanov, M. (2009) <i>Monetarna politika</i>. RRiF plus: Zagreb.</p> <p>Leko, V., Božina, L. (eds.) (2005) <i>Novac, bankarstvo i finansijska tržišta</i>. Zagreb: Adverta.</p> <p>Fleuriet, M. (2018) <i>Investment Banking Explained: An Insider's Guide to the Industry</i>. McGraw Hill.</p> <p>Saunders, A., Millon Cornett, M., Erhemjants, O. (2020) <i>Financial Institutions Management: A Risk Management Approach</i>. McGraw-Hill Education.</p> <p>Official website of the Croatian National Bank.</p> <p>Official website of the European System of Central Banks.</p> <p>Official website of the Federal Reserve System.</p>					
Quality assurance methods that ensure the acquisition of exit competences	<ul style="list-style-type: none"> Monitoring the class attendance and execution of other student's obligations (Teacher) Teaching Supervision (The Vice-Dean for academic and student affairs) Analysis of the studying performance for all courses of the study program (The Vice-Dean for academic and student affairs) Student survey on the quality of teachers and teaching for each course of the study program (UNIST, Centre for Quality Improvement) All learning outcomes of the course are examined by the examination conducted by the course teacher. Periodic examination of the content of the exam is conducted in order to verify the appropriateness of the method of validating the learning outcomes (The Vice-Dean for academic and student affairs). 					
Other (as the proposer wishes to add)	Lectures in Croatian language.					

