COURSE DATA

DATA SUBJECT

Code: 36808
Name: Monetary and banking economics
Cycle: Undergraduate Studies
ECTS Credits: 6
Academic year: 2026-27

STUDY (S)

Degree	Center	Acad. year	Period
1933 - Double Degree in Law and Economics_2022	Facultat de Dret	5	First quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
1933 - Double Degree in Law and Economics_2022	Asignaturas de quinto curso	COMPULSORY

COORDINATION

CRUZ GARCIA PAULA

SUMMARY

The aim of the Monetary and Banking Economics course is to provide students with an insight into the importance of the financial system in the economy, paying special attention to financial intermediaries. The course establishes the microeconomic foundations of banks' behaviour and their role in transmitting monetary policy. It covers various topics related to banking and the economy, such as margins, costs, competition and financial integration.

It begins by analysing the role of the financial sector, and of banking in particular, in developed economies, contrasting the real and financial economies, and describing the process of financial intermediation. Next, the second part of the course models banks¿ behaviour and the extent to which regulation conditions their conduct.

The third part of the course describes the recent evolution of the Spanish banking sector from two different perspectives: comparison with the banking sectors of other countries and upcoming challenges.

The fourth part of the course analyses various topics related to the banking economy, such as costs and productivity, margins and profitability, competition, and banking crises. Finally, the course focuses on the importance of the banking sector in the implementation of monetary policy.

PREVIOUS KNOWLEDGE

RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE

There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS

No prerequisites.

COMPETENCES / LEARNING OUTCOMES

DESCRIPTION OF CONTENTS

1. Real vs. financial economics: the role of banks

2. The process of financial intermediation

3. Modelling the banking firm: managing assets and liabilities

4. Banking regulation

5. Margins, costs, and productivity

6. The recent evolution of the Spanish banking sector

7. The challenges facing the Spanish banking sector

8. Competition in the banking sector

9. Financial integration and the European banking union

10Monetary policy: the role of banks

WORKLOAD

PRESENCIAL ACTIVITIES

Activity	Hours
Theoretical and practical classes	60,00
Total hours	**60,00**

NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	20,00
Independent study and work	50,00
Preparation of lessons	14,00
Preparation for assessment activities	6,00
Resolution of case studies	0,00
Total hours	**90,00**

TEACHING METHODOLOGY

The Monetary and Banking Economy methodology, in both theoretical and practical classes, will combine individual and teamwork capacities.

More precisely, the methodology can be described as follows:

For the theoretical classes, students will prepare the basic readings in advance to serve as a basis for the explanations. The teacher will combine the explanations with active student participation (e.g. questions, discussion groups). The intention is for students to develop their ability to work independently and to defend ideas, as well as their capacity for oral and written communication.

For the practical classes, students will prepare a set of exercises, case studies and coursework to be presented in the classroom. The aim is for students to develop their ability to solve problems, communicate orally and in writing, coordinate activities, and search for information in reliable sources.

These tasks may result in deliverables that will be evaluated by the teacher.

EVALUATION

The subject will be evaluated as follows:

1. A written exam at the end of the semester (up to 6 points). A necessary condition to pass is to obtain at least 40% of the grade in that exam.

2. A multiple-choice midterm exam that represents 10% of the final grade (1 maximum point)

3. The evaluation of the practical activities developed by the student during the course (up to 3 points). The works will be of two types: presentations in class and periodic deliveries, and a course work. The presentations and deliveries will be non-recoverable for the second call. The course work will be recoverable for the second call.

4. In case of lacking that evaluation of the practical activities, the student will only be able to obtain the points of the written exams and to pass would need to obtain 5 of the 7 points corresponding to the exams.

REFERENCES

Basic

- Deprés, M., Villegas, R. and J. Ayora (2025): "Manual de regulación bancaria en España". Fourth edition , Funcas. Madrid. ISBN: 978-84-1760-997-9.

- Fernández de Guevara, J. and J. Maudos (2023): "La Unión Financiera y bancaria en la UE", in Tamarit, C. and Camarero, M. coord. "Economía de la Unión Europea". Chapter 10. Thomson Reuters. ISBN 978-84-9197-996-8.

Additional

- BCE (various years). La aplicación de la política monetaria en la zona Euro.
- Banco de España (various years): Informe de Estabilidad Financiera.
- Banco de España (various years): Memoria de Supervisión Bancaria.
- FMI (various years): *Financial Stability Report*.