

Finance (Basic)

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Bank

Bank is...

A few history...

How the bank works

Balance sheet

Bank Assets = Bank Liabilities + Bank Capital

Sources of Funds (Liabilities)

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Uses of Funds (Assets)

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Off-balance-sheet

Banks increase the amount of money in the economy

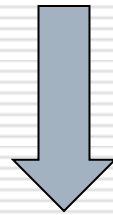
❑ Two ways:

❑ CB..

❑ CB..

How creates the Commercial Bank money?

Fractional Reserves Banking



Multiplying money

Bank run, Bank panic

□ BR..

□ BP..

Types of Banks

☐ CB

☐ CB

☐ SB

Central Bank

A Central Bank...

Functions of CBs

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Commercial Banks

How CBs make money?

Functions of Commercial Banks

- ❑ Primary Functions

- ❑ Secondary Functions

The Primary Functions of CB

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□ ..

The Secondary Functions of CB

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Types of CBs

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Universal versus Separated Banking

- ☐ Universal Banking
- ☐ Separated Banking (Glass Steagall Act – 1933)

Other Categories of Banks

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Bank Channels

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Clearing and Clearing Bank

❑ Clearing is..

❑ Clearing Bank is..

Bank Risks

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BASEL II

- ❑ BASEL II is...

- ❑ The aim is..

Three Pillars of BASEL II

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Thank you for your attention
