



Name of the discipline: **Money.Credit.Bank**

Discipline code Б.3.6

Name of the discipline <b>Money.Credit.Bank</b>	discipline code Б.3.	amount of credits 3	course / semester 4/7
Name of the direction “Economics” Profile: Foreign economic activity	specialty code <u>«580100 - Economy»</u>	The department “Banking and insurance”	Faculty economic
Daytime		Language - English / Russian	
Tuesday – 13.55-15.40, class – 319, Thursday – 8.00-9.45, class - 320			
1- module - 5 w.; 2- module - 11 w.			
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Head of Department	Abdukadyrova Gulnaz Toktosunovna		

### 1. Brief description of the discipline

*The purpose* is the formation of solid knowledge and practical skills in the field of students monetary circulation and credit, the study of special monetary, banking, exchange and currency terminology: complex processes in monetary and foreign exchange systems that will allow students to professionally navigate in matters of money, credit and banking in a market economy.

#### *The main tasks of the discipline:*

- the study of the theoretical foundations and patterns of money circulation and credit;
- knowledge of the laws of the functioning and regulation of the banking system;
- familiarization with the legislative framework of the banking system;
- analysis of the process of building and organizing modern monetary, financial, banking, credit systems and their elements;
- the formation of students' skills to systematize and evaluate various phenomena and patterns in the monetary and banking sectors of the economy;
- mastering the methods of analysis and forecasting processes in the field of financial and credit relations.

*As a result of studying the discipline " Money.Credit.Bank ", a student must:*

#### **Know:**

- The need and origin of money, the prerequisites for the emergence of money;
- the essence, properties, forms and types of money;
- money circulation and money turnover, a lot of money;
- the interaction of money with other economic categories and macroeconomic parameters;
- causes and consequences of inflation, methods of combating inflation;
- monetary and payment systems of countries
- the essence of credit and credit relations;
- economic laws, prerequisites for the emergence of credit business;
- forms and types of credit and their difference, loan functions;

- the origin of the concepts of "bank", the banking system, operations and bank transactions;
- credit and banking system: types, levels and elements;
- Features of the banking system of various countries;
- goals, objectives and functions of the Central Bank;
- methods and tools of monetary policy;
- the need to create foreign exchange reserves of the state.

**Be able to:**

- Explain the differences between the rationalistic and evolutionary concepts of the nature of money;
- disclose the content of the forms, value, essence and functions of money;
- measure the mass of money, distinguish the monetary systems of different countries
- disclose the contents, functions of the loan;
- explain the difference between different forms and types of credit;
- show the impact of credit on expanded reproduction;
- disclose the content of the essence of banks;
- to formulate the goals and objectives of the Central Bank and commercial banks;
- show various forms of bank lending;
- explain the reasons for the establishment of various interest rates in commercial banks;
- show the reasons for the fluctuation of the discount rates of the Central Bank;
- disclose the content of financial and credit policy.

**Own:**

- skills of comparative historical analysis of commodity money, coins, paper and credit money;
- the concepts of money circulation, cash turnover;
- methods of combating inflation through anti-inflationary policies;
- skills of organizing cash turnover;
- methods of analysis of the elements of the monetary and payment system.
- skills to distinguish forms and types of loans;
- methods for establishing credit boundaries and loan interest;
- the chronology of the formation of banks, the banking system.

**3. Prerequisites of discipline:** "Economic Theory", "Macroeconomics, "Microeconomics", "Finance", "Statistics".

**4. Post-requisites of the discipline:** "Insurance", "Risk assessment", "Financial risk management"

### 5. The calendar and thematic plan.

Profile: Foreign economic activity

Group: ВЭД -1-17, ВЭД -1-18

№	Date	Topic Title	Classroom work (hour)		CPC (hour)	Total	Current Control Forms
			Lectures	Practical			
<b>Section 1. Money</b>							
1	01.09.2020 03.09.2020	The economic essence of money, and their functions	2	2	4	8	case study, workshop, discussion
2	08.09.2020 10.09.2020	Types and forms of money	2	2	4	8	case study, workshop, discussion
3	15.09.2020 17.09.2020	The issue of money, money supply and its measuring	2	2	4	8	case study, workshop, discussion
4	22.09.2020 24.09.2020	Organization of cash flow	2	2	4	8	case study, workshop, discussion
5	29.09.2020 01.10.2020	Money and payment system	2	2	4	8	case study, workshop, discussion
6	06.10.2020 08.10.2020	Inflation and deflation	2	2	4	8	case study, workshop, discussion, problem solving
<b>Section 2. Loans and credit relations</b>							
7	13.10.2020 15.10.2020	The economic essence and functions of credit	2	2	4	8	
8	20.10.2020 22.10.2020	Forms and types of loans	2	2	4	8	
9	27.10.2020 29.10.2020	Loan interest, its boundaries, economic role in a market economy	2	2	4	8	
<b>Section 3. Banks</b>							
10	03.11.2020 05.11.2020	Credit banking system	2	2	4	8	
11	10.11.2020 12.11.2020	Central Banks and Fundamentals their activities	2	2	4	8	
12 13	17.11.2020 19.11.2020 24.11.2020 26.11.2020	Monetary policy of the central bank	4	4	8	16	
14 15	01.12.2020 03.12.2020 08.12.2020 10.12.2020	Commercial banks and their basics the activities	4	4	8	16	
16	15.12.2020	Exam					
<b>Total</b>			<b>30</b>	<b>30</b>	<b>60</b>	<b>120</b>	

## **5.1. The content of the theoretical discipline**

### **Theme 1. The origin and essence of money, their functions**

1. Objective necessity, prerequisites and the emergence of the use of money. The historical stages of the formation of commodity-money relations. The social division of labor. The development of forms of value and the appearance of money.

2. The modern concept of the essence of money. Description of money as an economic category. An approach to the essence of money, based on the development of the properties of money.

Role

and the development of money in a market economy.

### **Functions of money. The concept of the functions of money and their meaning**

1. Money as a measure of value. The function of money as a measure of value and the problem of the intrinsic value of money. The value of a measure of value function. The function of a measure of value and price liberalization. Cost measure function

and the sustainability of money. Inflation and a measure of value.

Modern interpretations of the function of money, the scale of prices, units of account, money of account.

2. Money as a medium of circulation. Conditions for the performance of money as a medium of circulation. The interaction of the function of money as a measure of value and means of circulation.

3. The function of money as a means of preserving value. The liquidity of money, inflation, and the performance of money as a means of preserving value and accumulation. The interaction of the function of money as a means of circulation and means of preserving value. Types of cash savings. The value of the function of money as a means of accumulation at the micro and macro levels.

4. The function of money as a means of payment. The interaction of money as a measure of value, means of preserving value, means of circulation and money as a means of payment.

5. The functions of world money. Money in the field of international economic turnover. The concept of reserve currencies, collective currencies and their fulfillment of the function of world money. Modification of the function of money in modern conditions.

### **Theme 2. Evolution of forms and types of money**

1. The concept of form and type of money. Historical aspects of the evolution of money. Classification of forms and types of money. Full-value (real) money, their types and basic properties. The concept of commodity money. Features of the performance of commodity money functions of money. Gold and silver as a special type of commodity money. Advantages and disadvantages

full money. The automatism of regulation of money circulation when using full-fledged money.

2. Features of the transition to defective money. Paper and credit money. The laws of their treatment. Paper and credit money. The concept and types of credit money, their comparative characteristics.

3. Deposit money and electronic money as the main types of modern credit, non-cash money, dignity

and disadvantages. Deposit money and electronic money: general and special. The concept of "quasi money" and monetary substitutes, their properties and functions. The similarities and differences of high-grade and inferior money.

### **Theme 3. Money issue, money supply and its measurements**

1. The concept of emission, its types. Money issue as an element of the money supply. Cash and non-cash (deposit) issue. The credit nature of modern issues. Separation of the emission function between banks. The concept of free reserve banks. The essence and mechanism of the banking (deposit) multiplier and its

role in regulating cash flow. Cash issue: its content, mechanism and role. The role of the Central Bank in the issue of cash. The receipt of money in economic turnover and its macroeconomic consequences.

2. The concept of money supply and features of its measurement. Money structure with different approaches to her measurement. The principles of building money supply in various countries: general and special. The modern structure of the money supply of the Kyrgyz Republic. The concept of money aggregation. Types of monetary aggregates.

### **Theme 4. Organization of cash flow**

1. The concept of cash flow and its structure. Classification of cash turnover: by type of money used; by the nature of relations serviced by cash flow; by subjects of monetary relations. Money flow channels: cash and non-cash.

2. The concept of cash circulation and monetary circulation. Cash flow scheme in the farm. The principles of organization of cash turnover. The concept of cashless cash flow and its variants.

3. The main organizations of cashless cash flow

and its role in the economy. The role of the banking system in the organization of cashless cash flow. The principles of organization of cashless payments as the fundamental rules of their behavior.

4. Cash turnover and the system of market relations. The relationship of cash and cashless turnover. Advantages and the shortcomings of cash and cashless transactions.

5. The law of monetary circulation

and methods of state regulation of cash turnover. The law of the amount of money needed to treatment and its transformation in modern conditions. Money turnover and proportions of the national economy. Forms of cashless payments and their comparative characteristics.

### **Theme 5. Monetary and payment systems**

1. Metal. Bimetallism: parallel, double, lame. Monometallism: gold coin, gold bullion and gold exchange standard.

2. Non-metallic monetary systems. Their types and characteristic features.

3. Monetary reform as a way to radically change the monetary system. Factors determining the need for monetary reform. Goals, premises, socio-economic consequences of monetary reforms.

4. The concept of the monetary system and its elements. The principles of classification of monetary systems. The monetary system of the Kyrgyz Republic, its elements.

5. The concept and elements of the payment system. Prospects for the creation and development of the national payment system of the Kyrgyz Republic. Features of the development of the payment system. Payment system and its importance for micro-, macroeconomics.

### **Theme 6. Inflation and deflation**

1. The definition of inflation. The essence of inflation, causes and forms of its manifestation. Patterns of the inflationary process. Inflation and the laws of monetary circulation. Inflation and deflation. Definition of deflation. The nature, types, causes and forms of its manifestation.

2. Deflation and the laws of monetary circulation. Inflationary and deflationary processes in the global economy. Regulation of inflation and deflation: methods, boundaries and contradictions. The main directions of anti-inflation and anti-deflationary policies.

3. The need for an integrated approach to combating inflation and deflation.

### **Theme 7. The essence and functions of credit**

1. Cash accumulation and loan capital.
2. The need and possibility of a loan in a market environment. Credit as an essential part of commodity-money relations. The essence of the loan. The structure of the loan, its elements. Stages of loan movement. Credit transaction as an organizing element of a loan.
3. Functions of the loan. Characterization of the redistributive function of the loan and the replacement function.
4. Redistributive, quantitative and qualitative boundaries for the application of various types of loans at the micro and macro levels.  
Change in the boundaries of the use of credit as a result of changes in the conditions of macroeconomic equilibrium and activities of a separate form. The company has an effective borrowing policy.

### **Theme 8. Forms and types of credit**

1. The classification of forms of credit depending on the nature of the cost, the nature of the lender and the borrower, the nature of the target needs for the borrower.
2. Commercial credit, its evolution and features.
3. Banking form of credit and its features.
4. Features of state credit.
5. Features of consumer credit.
6. Old and new forms of credit and their features.
7. Features of international credit. International credit: essence, functions, basic forms.
8. Types of loans.

### **Theme 9. Loan interest, its boundaries and economic role in a market economy**

1. The nature of loan interest. Functions of the loan interest. Role loan interest in a market economy.
2. The economic basis for the formation of the level of loan interest. Factors determining the level of loan interest.
3. The mechanism for forming the level of market interest rates. Information expectations and interest rate. Interest rate system. The discount rate of interest and its role as an instrument of monetary regulation.
4. Types and features of the formation of bank interest rates. Temporal structure of interest rates. Interest margin on bank operations: values and its main determining factors. Minimum interest margin as an indicator of breakeven of active operations of a commercial bank. The relationship of loan interest with the profit of the enterprise, with the exchange rate of securities and the exchange rate.
5. The market for loan capital and its features. Supply of loan capital. Demand for loan capital and its determining factors.
7. Borders of loan interest on the example of interest on deposits and bank loans. Factors affecting the boundaries of loan interest.

### **Theme 10. Credit and banking systems**

1. The concept of a credit system. Institutional and functional features of the credit system. The content of the functional (basic), organizational and regulatory blocks of the credit system and their elements. Types of credit system and its features in Kyrgyzstan. The role of the credit system in the national economy. Credit infrastructure.

2. Institutional features of the credit system. Institutes of the banking, near-banking system: credit organizations, banks and non-bank credit organizations; specialized credit institutions - pawnshops, cooperative credit organizations; specialized financial and credit organizations; microfinance and microcredit organizations.
3. The concept of the banking system and its properties. Types of banking systems.
4. The essence of the bank as an element of the banking system. Bank and concentration of free capital and resources.
5. Types of banks by type of ownership, legal organization, functional purpose, nature of operations performed, number of branches, service sector, scale of activity.
6. Types of credit organizations: banks and non-bank credit organizations – general and various.
7. Functions and role of the bank in the economy.

### **Theme 11. Central banks and the basics of their activities**

1. The goals and objectives of the organization of Central banks. Functions of the Central Bank.
2. The main activities of the National Bank of the Kyrgyz Republic (NBKR). Features of the emission function of the NBKR. The role of the NBKR in ensuring the stability of the country's monetary system. Active and passive operations of the NBKR.

### **Theme 12. Monetary policy of the National Bank of the Kyrgyz Republic**

1. The concept of monetary policy, functions and tasks of the NBKR. Development and implementation of credit policy, the direction of a single monetary policy of the NBKR. Monetary regulation of the NBKR. Monetary regulation systems and its elements. Organization principles and objectives of the monetary regulation system. Monetary policy ratio and monetary regulation. Methods and instruments of monetary regulation and the features of their application in various countries.
2. Organizational structure of the National Bank of the Kyrgyz Republic. Functions and Organizational structure of the Central banks of developed countries.

### **Theme 13. Commercial banks and the basics of their activities**

1. Characteristics of a commercial bank as a subject of the economy. Bank customer. Bank agreement with the client. The concept of banking services and its main characteristics.
2. Passive operations of the bank. Bank capital formation operations. Deposit operations of a commercial bank. The value of passive operations in the activities of a commercial bank. The role of capital.
3. Active operations of a commercial bank. Classification of active operations of a commercial bank by economic content: loan, cash, investment, stock, guarantee operations of a commercial bank; by degree of risk; by level of profitability; by the nature (directions) of the allocation of funds: primary, secondary and investment.
4. Characteristics of loan operations. Types of operations depending on the type of borrower, method of collateral, terms of lending, the nature of the circulation of funds, subjects and objects of lending, the type of account opened and other signs.
5. Commission and intermediary operations of a commercial bank and their types.
6. Financial risks in the activities of commercial banks.
7. Services of modern banks provided to legal entities and individuals.
8. The basics of ensuring the sustainable development of commercial banks. The concept of liquidity and its determining factors. Classification of assets by liquidity. Liquidity ratios established by the NBKR. The role of bank capital in ensuring the sustainability of its development. Capital adequacy.

11. Profitability of banking activities. Features of the financial condition of commercial banks. The approaches to a comprehensive assessment of the activities of commercial banks. Bank ratings.
12. The role of management and marketing in ensuring the sustainability of banks.
13. Strategic directions for the development of commercial banks.
14. The regulatory framework of banking

## **5.2. Questions for preparing for the exam:**

1. Loans to commercial banks and their structure in the non-financial sector of the economy.
2. Portfolio investments of commercial banks in Kyrgyzstan and their structure in the financial sector of the economy.
3. Loans from commercial banks in the household sector of the Kyrgyz Republic.
4. Problems of lending to the agricultural sector of the Kyrgyz Republic.
5. Forfeiting operations of commercial banks in Kyrgyzstan.
6. The role and importance of the liquidity of commercial banks in Kyrgyzstan.
7. Credit unions and the scope of its activities.
9. Insurance companies and their place in the banking system of the Kyrgyz Republic.
10. Cash circulation in a commercial bank and ways to reduce it.
11. Electronic system in commercial banks of the Kyrgyz Republic.
12. The effect of electronic money on the velocity of money.
13. A study of the credit resources of banks in the administrative territories of the Kyrgyz Republic.
14. The effect of minimum reserve requirements on the credit potential of commercial banks.
15. Factoring operations of commercial banks in Kyrgyzstan.
16. Financial risks and sources of their coverage in commercial banks.
17. Clearing settlement system: formation and ways to improve them.
18. Problems and prospects for a gross settlement system.
19. Profitability of commercial banks of the Kyrgyz Republic and ways to increase them.
20. Loan operations of commercial banks of the Kyrgyz Republic.
21. Forfeiting services in commercial banks of the Kyrgyz Republic.
22. Trust operations in commercial banks of the Kyrgyz Republic.



## 6. Laws and regulations, educational literature and manuals:

### Laws and regulations. Educational literature:

1. The Constitution of the Kyrgyz Republic of June 27, 2010.
2. The Civil Code of the Kyrgyz Republic. Bishkek: Publishing House Academy of Sciences.
3. Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic, banks and banking activities"
4. Money. Credit. Banks: textbook / ed. prof. G. N. Beloglazova. M.: Higher education, 2018.
5. Vladimirova M. P., Kozlov A. I. Money. Credit. Banks: study guide. 3rd ed., Revised. and add. M.: Knorus, 2017..
6. Money. Credit. Banks: a textbook for universities / ed. prof. E.F. Zhukova. 3rd ed., Revised. and add. M.: UNITY-Dana, 2015.
7. Money, credit, banks: a textbook / ed. O. I. Lavrushin. 11th ed., Moscow: Knorus, 2018.
8. Fisher I. The purchasing power of money.
9. Friedman M. Quantitative theory of money.
10. Haris L. Money Theory / Per. from English M.: Progress, 1990.

### Internet resources:

<http://www.nbkr.kg>  
<https://ab.kg/>,  
<https://www.kompanion.kg>  
<http://www.bankasia.kg/>  
<http://www.stat.kg>

## 7. Evaluation Criteria

№	Type of work	Rating (max )	Amount
1	Module test №1	30	20
2	Module test № 2	30	20
3	IWS	20	30
4	Exam	20	30
			100

## 8. Teacher requirements:

- to be in class without delay;
- in case the student was late for the test, then the time of retake is specified;
- Do not use plagiarism when passing the test;
- come to the University in business clothes (clothing in the form of shorts, tops, t-shirts, etc.) is unacceptable.

The student must pass the CDS strictly within the specified time.

Fines system: in case of untimely provision of the CDS according to the schedule, for each delayed day without a good reason, 2 points are taken away.

Incentive system: For activity and independent work on the instructions of the teacher, in general, from a minimum of 1 to 10 points can be evaluated

## 9. Organization and educational and methodological support of independent work of students (IWS)

## 9.1. Current and leading CDS

The independent work of the student is aimed at deepening and consolidating knowledge, as well as the development of practical skills, is:

- in the work of students with lecture material, search and analysis of literature and electronic sources of information on a given problem;
- in the implementation of analytical and calculated homework;
- in the study of topics submitted for independent study;
- in preparation for the exam.

### 9.1.1. Topics for independent study:

- the influence of various factors on pricing;
- pricing in conditions of perfect competition;
- pricing in conditions of monopolistic competition;
- pricing in a monopolized market;
- pricing in an oligopoly.

**9.2. Creative problem-oriented independent work (TSR)** is aimed at the development of intellectual skills, a set of professional competencies, consists in performing the calculation work, which is carried out on the basis of guidelines for the options on the topic: "Setting the optimal price based on a comparison of costs and demand."