Introduction to Financial Services Sector

**Course Description**

This is an introductory module that exposes you to key forces driving change in the financial services industry. The module is designed to provide an introduction to the environment within which the financial services industry operates and to explore the main components of the financial system.

Traditionally, banks have been acting as intermediaries between borrowers and lenders, but changes to this model have generated expansion of the industry as well as increased risks. Several main players are considered, namely the central bank, commercial banks, retail banks, global investment banks, asset managers, hedge funds, insurance companies, private wealth managers, brokers, stock exchanges, and regulators.

**Contents**

1. History of Banking
   1. Money
   2. Development of Banking System
2. Deposit-Taking and Non-Deposit Taking Financial Institutions
   1. Depository (eg Banks, Building Societies)
   2. Non-Depository (eg Pension Funds, Unit Trusts, Insurance Companies)
   3. Financial Intermediaries and the Products They Deal In
   4. Non-Marketable Securities
3. Central Banks
   1. Structure
   2. Functions
   3. Comparison of World Central Banks
4. Capital Markets
   1. Financial Markets – And the Products They Deal In
   2. Marketable Securities
5. Interest Rates and Derivatives

5.1 The Important Relationship Between Risk, Term and Return

1. Market Participants
2. Current Developments

6.1 Wider Societal Implications Are Considered e.g. Financial Inclusion, Fossil Fuels/ Extractive Industries Finance

1. Socially Responsible Investments and Environmental, Societal and Governance Issues