

Banking Fundamentals

Bank functions, products, regulation and the economy

FA-0665 · 2 days

Others

Introduction

A two-day introduction to how banks are organised, what they do and how they interact with customers and the wider economy. Lectures, examples and discussion cover banking products, lending, regulation and digital change.

The course provides general educational context. Products, regulatory responsibilities and customer protections vary by jurisdiction; examples do not constitute personal financial advice or professional compliance training.

Learning outcomes

- Distinguish central, commercial and specialised banking roles.
- Explain deposits, lending, payments and introductory credit creation.
- Compare common banking products and customer-service functions.
- Describe why prudential supervision, AML and customer identification matter.
- Discuss banking's economic role and selected digital-era challenges.

Prerequisites

No prior knowledge of banking or finance is required. However, basic arithmetic and a general understanding of economic concepts will be beneficial.

Training outline

1. Day 1 — Bank Structure, Functions and Products

Morning — Introduction and Types of Banks

Introduction to Banking

- Brief history of banking
- Definition and importance of banking in an economy
- Evolution from traditional to digital banking

Structure and Types of Banks

- Central Banks vs. Commercial Banks
- Retail, Corporate, and Investment Banking
- Specialized banks and their roles

Afternoon — Core Functions and Customer Services

Core Functions of Banks

- Accepting deposits
- Granting loans and advances
- Creation of credit

Banking Products and Services

- Savings and current accounts
- Loans and credit facilities
- Digital banking services
- Investment services and wealth management

Use a simple balance-sheet example to explain that bank lending can create deposits, constrained by capital, liquidity, risk and regulation; distinguish money creation from wealth creation.

2. Day 2 — Supervision, Economic Roles and Digital Change

Morning — Regulation and the Macroeconomy

Regulatory Environment

- Central banks, prudential regulators and other supervisory institutions: jurisdiction-specific responsibilities

- Introductory capital, liquidity, customer-protection and compliance concepts
- Importance of Anti-Money Laundering (AML) and Know Your Customer (KYC) procedures

Role of Banks in the Macroeconomy

- Banks and monetary policy
- Impact on inflation, employment, and growth
- Financial crises and the role of banks

Distinguish central-bank, prudential and conduct-supervision responsibilities in the selected jurisdiction; these are not universally assigned to the same institution.

Afternoon – Challenges and Case Discussion

Modern Challenges and Opportunities in Banking

- Rise of fintech and its implications for traditional banking
- Cybersecurity threats and measures
- Digital-banking trends and uncertainty; avoid treating forecasts as established outcomes

Interactive Case Study & Discussion

- Discuss an illustrative banking scenario, relate it to the taught concepts and explain the assumptions behind proposed responses.

Evaluate a fictional or publicly documented scenario, identify customer and institutional risks, and distinguish established facts from forecasts.