Tutorial Letter 101/3/2017

Money and Banking
BAN2601

Semesters 1 and 2

Finance Risk Management and Banking.

IMPORTANT INFORMATION

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1. **INTRODUCTION**

Dear Student

Welcome to the module for Money and Banking (BAN2601).

You are enrolled for Money and Banking (BAN2601), which forms part of the curriculum of the B.Com Banking Degree. We would like to welcome you to UNISA and hope that you will find it both interesting and rewarding. We shall do our best to make your study of this module successful. You will be well on your way to success if you start studying early in the year and resolve to do the assignments properly.

As a graduate learner in distance education, you know that you have to take full responsibility for your studies. Tutorial Letter 101 contains important information about the scheme of work, resources and assignments for this module. We urge you to read it carefully and to keep it at hand when working through the study material, preparing the assignment(s), preparing for the examination and addressing questions to your lecturers.

In Tutorial Letter 101, you will find the assignments and assessment criteria as well as instructions on the preparation and submission of the assignments. This tutorial letter also provides all the information you need with regard to the prescribed study material and other resources and how to obtain it. Please study this information carefully and make sure that you obtain the prescribed material as soon as possible.

We have also included certain general and administrative information about this module. Please study this section of the tutorial letter carefully.

Right from the start we would like to point out that you must read all the tutorial letters you receive during the semester immediately and carefully, as they always contain important and, sometimes, urgent information.

On completion of this module you should be able to meet all the challenges of the banking industry and play your role in the development of your own country's economy.

We hope that you will enjoy this module and wish you all the best!

1.1 **Tutorial matter**

Your tutorial matter for Money and Banking (BAN2601) consists of the following:

- A study guide for Money and Banking (BAN2601)
- You will also receive a tutorial letter shortly after the closing date of the second assignment, which will contain the solutions to the assignment questions of tutorial letter 101.
- Additional resources provided at [https://my.unisa.ac.za](https://my.unisa.ac.za).
2. PURPOSE OF AND OUTCOMES FOR THE MODULE

2.1 Purpose

The purpose of this module is to give students following a career in banking a unique understanding of the dynamics of the banking field.

2.2 Outcomes

On completion of this module, you should be able to:

a) Describe money and apply the principles of the financial system and its importance in society and the economy.

b) Read and interpret the concepts of money supply, money supply growth and monetary aggregates.

c) Demonstrate a sound understanding of the main role of money and credit in the global economy.

d) Demonstrate a solid understanding of the concept of financial markets, instruments and market makers.

3. LECTURER(S) AND CONTACT DETAILS

3.1 Lecturer(s)

I am Charles Nyoka, your lecturer for Money and Banking (BAN2601). It is only when you have queries of an academic nature that you may contact me. Please have your study material and student number with you when you contact me.

You can contact me via;

E-mail at nyokac@unisa.ac.za. or
make an appointment to see me personally during office hours (09:00-15:00) or
contact me at the following number: +27 12 429 4650, alternatively
fax me on +27 124293552

PLEASE NOTE: Letters to lecturers may not be enclosed with or inserted into assignments.

E-mail and telephone numbers are included above but you might also want to write to me.

Letters should be sent to:
Mr. Charles Nyoka (BAN2601)
Department of Finance, Risk Management and Banking
P.O. Box 392
UNISA
0003
3.2 Department

This module is offered by academic staff members from the Department of Finance, Risk Management and Banking (DFRB).

Please note that you may get in touch with fellow students, download study material, submit assignments, change your address and/or examination venue, view your assignment marks, download previous examination papers, and get in touch with your lecturer at https://my.unisa.ac.za

Academic enquiries may also be directed to Tel 012 429-3603.

E-mail queries may be sent to finman@unisa.ac.za.

3.3 University

Administrative queries may be directed to the appropriate department as indicated in my Studies @ Unisa brochure. Examples of administrative queries are registration matters, study material matters, account queries and graduation issues. Registration matters must be directed to econ@unisa.ac.za

4. MODULE-RELATED RESOURCES

4.1 Prescribed books

There is no prescribed book for this module

4.2 Recommended books


Most books on Banking and the Economy would be useful for this module

4.3 Electronic Reserves (e-Reserves)

None

4.4 Library services and resources information

For brief information, go to www.unisa.ac.za/brochures/studies

For detailed information, go to the Unisa website at http://www.unisa.ac.za/ and click on Library.

For research support and services of personal librarians, go to http://www.unisa.ac.za/Default.asp?Cmd=ViewContent&ContentID=7102.

The Library has compiled numerous library guides:

- finding recommended reading in the print collection and e-reserves – http://libguides.unisa.ac.za/request/undergrad
- requesting material – http://libguides.unisa.ac.za/request/request
• postgraduate information services – http://libguides.unisa.ac.za/request/postgrad

• finding, obtaining and using library resources and tools to assist in doing research – http://libguides.unisa.ac.za/Research_Skills

• how to contact the library/finding us on social media/frequently asked questions – http://libguides.unisa.ac.za/ask

5. STUDENT SUPPORT SERVICES FOR THE MODULE

Important information appears in your my Studies @ Unisa brochure.

6. MODULE-SPECIFIC STUDY PLAN

Use your my Studies @ Unisa brochure for general time management and planning skills.

7. MODULE PRACTICAL WORK AND WORK-INTEGRATED LEARNING

None

8. ASSESSMENT

8.1 Assessment plan

Assignments are seen as part of the learning material for this module. As you do the assignments, study the reading texts, consult other resources, discuss the work with fellow students or tutors or do research, you are actively engaged in learning. Paying attention to the assessment criteria for each assignment will help you to understand what is required of you more clearly.

You may submit written assignments and assignments done on mark-reading sheets either by post or electronically via myUnisa. Assignments may not be submitted by fax or e-mail. For detailed information and requirements as far as assignments are concerned, see the brochure my Studies @ Unisa that you received with your study material.

<table>
<thead>
<tr>
<th>Compulsory assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are two compulsory assignments for this module in the form of essay type questions.</td>
</tr>
<tr>
<td>There are non-negotiable submission deadlines for each of the assignments of this module and you must submit these assignments if you wish to gain entry to the examination. The assignments contribute to your year mark.</td>
</tr>
</tbody>
</table>

Year marks

Your year mark, based on the mark obtained for the two compulsory assignments, contributes 20% towards your final mark, while your examination mark contributes 80%.

The combined weighted average of your year mark and examination mark must be 50% or higher for you to pass the module. However, you must obtain a minimum of 40% in the examination, regardless of your year mark. If you obtain less than 40% in the examination, your year mark will not be taken into account and you will fail.

For example:

6
Assignment 1 mark = 50%  Assignment 2 mark = 90%. These marks each contribute 50% towards the final 20% year mark.

<table>
<thead>
<tr>
<th>Assignment No</th>
<th>Mark</th>
<th>Weight</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ass. 1</td>
<td>50%</td>
<td>50%</td>
<td>25</td>
</tr>
<tr>
<td>Ass. 2</td>
<td>90%</td>
<td>50%</td>
<td>45</td>
</tr>
</tbody>
</table>

70 x 20% of final = 14

Assume an examination mark of 50%

80% of the examination mark = 40%

Final mark = (20% assignment mark) + (80% examination mark)

= 14% + 40%

= 54%

You will need a final mark of at least 40% in order to qualify for a supplementary examination.

For general information and requirements as far as assignments are concerned, see the brochure my Studies @ Unisa, which you received with your study material.

8.2 General assignment numbers

Assignments are numbered consecutively per module, starting from 01.

8.2.1 Unique assignment numbers

Each assignment has been allocated a unique number in order to identify it in the Unisa assessment plans. Please ensure you always indicate the correct unique number when submitting assignments.

8.2.2 Due dates for assignments

As indicated earlier, you should preferably submit your assignments at https://my.unisa.ac.za prior to the due date of each assignment. Do not wait until the day just prior to the due date. Technical problems with the computer servers of myUnisa may prevent you from submitting your assignment at the last minute.

Please ensure that your assignments reach the Unisa main campus by the due dates should you not be able to submit your assignments at myUnisa and need to mail us your assignments in hard copy format. Requests for extension of due dates for assignments will not be granted. These due dates have been set to allow you sufficient time for the completion of other assignments and your preparation for the examination.

Information about whether Unisa has received your assignment and the mark attained for an assignment can be obtained from https://my.unisa.ac.za.

8.3 Submission of assignments

To submit an assignment via myUnisa:

- Go to myUnisa at https://my.unisa.ac.za
• Log in with your student number and password.
• Select the module.
• Click on assignments in the left-hand menu.
• Click on the assignment number you want to submit.
• Follow the instructions on the screen.

Only if you do not have access to the Internet should you submit your assignment by means of a mark-reading sheet (for MCQ's) or hard paper copy (for essay type questions) and mail it to Unisa. If you are using a mark-reading sheet, remember to:

1. Use an HB pencil
2. Indicate your student number and the above-mentioned unique number on the mark reading sheet
3. Follow the instructions for completing mark-reading sheets. Incomplete mark-reading sheets will be returned to you unmarked
4. Submit the assignment in good time. It must have reached the Unisa Main Campus by the indicated dates in the assignments below. Otherwise it might not be in time to be marked.

8.4 Assignments

SEMESTER 01

ASSIGNMENT 01

Due date: 17 March 2017
Unique number: 591298

Aim: To evaluate your knowledge of some of the fundamental aspects of banking.

Answer the following questions and submit your assignment at https://my.unisa.ac.za

Question:

Banks are a critical ingredient to the growth of any economy. Guided by the functions of a bank as an intermediary, discuss how banks can influence the growth of economies. (25)

ASSIGNMENT 02

Due date: 18 April 2017
Unique number: 838956

Aim: To evaluate your knowledge of some of the fundamental aspects of the role of the Central Bank.

Answer the following questions and submit your assignment at https://my.unisa.ac.za
Question:
What are the main functions of money? Which ones are the most important and why?  (25)

SEMESTER 02

ASSIGNMENT 01
Due date: 18 August 2017
Unique number: 854327
Aim: To evaluate your knowledge of some of the fundamental aspects of banking.
Answer the following questions and submit your assignment at https://my.unisa.ac.za

Question:
Discuss the function(s) of financial institutions as intermediaries and explain the main cost advantages of intermediation.
Give examples relevant to your economy.  (25 marks)

ASSIGNMENT 02
Due date: 01 September 2017
Unique number: 834196
Aim: To evaluate your knowledge of some of the fundamental aspects of the role of the Central Bank.
Answer the following questions and submit your assignment at https://my.unisa.ac.za

Question:
Discuss any five monetary policy objectives of central banks and comment on the performance of the central bank of your own country on these objectives over the last two years.
Give examples relevant to your economy.  (25 marks)

9. OTHER ASSESSMENT METHODS
None.

10. EXAMINATION
Examination admission will be granted to all students who submit the compulsory assignments. Students who do not submit the assignments will NOT be allowed to write the examination.
The provisional examination dates have been published at https://my.unisa.ac.za
The examination paper for BAN2601 will consist of 6 questions. No equations are provided in the examination paper.
A student must attain a mark of at least 40% in order to qualify for admission to the supplementary examination. Details about the procedure and cost for the re-marking of examination scripts may be found on myUnisa (https://my.unisa.ac.za).

11. FREQUENTLY ASKED QUESTIONS

SECTION A: ADMINISTRATIVE MATTERS

1 MATTERS PERTAINING TO REGISTRATION

What should I do if any of my personal details (name, address, etc) have been incorrectly captured during the registration process?

Please use myUnisa (https://my.unisa.ac.za) to rectify any mistakes. Alternatively send an e-mail to econ@unisa.ac.za. Alternatively mail us a letter addressed to The Registrar, PO Box 392, UNISA, 0003. Please remember to quote your student number in all correspondence.

What do I need to do to obtain items that were out of stock when I registered?

Please use the internet facility at https://my.unisa.ac.za in order to download copies of any of the study material. Alternatively send us an e-mail to despatch@unisa.ac.za. Please remember to quote your student number in all correspondence. Please allow ± 4 weeks for delivery of any outstanding items before contacting Unisa about out-of-stock items.

2 ASSIGNMENTS

My assignment is late because..... Can I submit it at a later date?

It is your responsibility to ensure that your assignment is submitted at myUnisa or reaches the Unisa Main Campus on or before the closing date. Please do not call us to request an extension for the submission of an assignment. Once you have received the tutorial letter containing the solutions you will know that you definitely can no longer submit the assignment.

Are the assignments of this module compulsory?

The assignments are compulsory. The intention is that you should use the assignments to prepare yourself for the examination.

Do the marks obtained for assignments count towards the final mark?

The assignment marks do count towards the final marks, as explained in this tutorial letter.

Who do I contact to find out if Unisa received my assignment(s) that I sent by mail?

Preferably submit your assignments via myUnisa. If you do not have access to the Internet and mailed Unisa your assignments, sms 43584 in order to determine if Unisa received your assignment(s).

What do I do if my assignment goes missing in the mail?

Preferably submit your assignments via myUnisa. Always make a copy of your assignment and keep it in a safe place in case you need to submit a duplicate copy.

Can I submit my assignments by e-mail?
No, all assignments must either be submitted via myUnisa or posted. Assignments e-mailed to lecturers will not be marked.

**How long will I have to wait before I can expect my assignment(s) results?**

We aim to have assignments marked within three (3) weeks after each due date. Visit https://my.unisa.ac.za to determine what mark you achieved. Allow an additional week or two for the post office to deliver the results to your postal address. The assignment results will be returned to the postal address that you indicated. Please do not call us to make enquiries about your assignment before four (4) weeks after the due date have elapsed.

**Can I expect my assignment to be returned sooner if I submit it well before the due date?**

The marking of assignments normally starts on the due dates indicated in this tutorial letters. Assignments are not marked or returned prior to the due dates.

**What mark did I obtain for my assignment(s)?**

Register as a user of the myUnisa facility and visit https://my.unisa.ac.za to find out the mark you received for your assignment(s).

### 3 EXAMINATION

**What happens if I am unable to write the examination because of ill health, work commitments or any other crisis?**

Any requests for aegrotat examinations need to be done in writing and directed to the Head: Examinations, Box 392, Unisa, 0003 or exams@unisa.ac.za. A fee is payable for such requests. The amount payable is determined by the Examination Section.

**What happens if I fail any papers?**

Students who fail any of the papers may be granted admission to write the supplementary examination scheduled for the next examination, provided they achieved a final mark of at least 40%. Any enquiries in this regard need to be directed to the Head: Examinations, Box 392, UNISA 0003 or exams@unisa.ac.za

**What will happen if I do not write any of the papers during the supplementary examination?**

In such a case you will have to obtain a registration form, complete it, pay the required fees and register again.

**What do I need to bring to the examination venue?**

Bring your identity document (ID), student card, an HB pencil, black pen, financial calculator, ruler, eraser, and pencil sharpener.

**Will it be an open-book examination?**

No.

**Could you give me an idea of the scope of the examination paper?**

The examination paper is based on your prescribed book and the learning outcomes provided in your study guide. Each learning outcome statement and assessment criterion
may be used to set examination questions. Please do not call us to enquire about the “scope” of the examination paper.

4 RESULTS

I am going to be away when the examination results are due to be released. Could you please tell me what mark I obtained for this paper?

The results should be available four (4) weeks after completion of the examination period. Please do not call the lecturers to request your results.

How will the results be announced?

The results are normally mailed to students. They are also published at myUnisa https://my.unisa.ac.za and the MTN results facility, cellular number 083 1234.

5 STUDY GUIDE AND TUTORIAL LETTERS

I have lost my study guide and tutorial letters. Could you please mail or fax me a copy?

Please download a copy from the myUnisa. Register as a user at https://my.unisa.ac.za. The lecturers do not mail or fax copies of study guides to students. You may also order replacement copies of study guides from Unisa’s Despatch Department. Please send an e-mail to despatch@unisa.ac.za or a letter to The Head, Despatch, PO Box 392, UNISA, 0003.

6 CHANGES IN REGISTRATION DETAILS

What do I need to do if I want to add or cancel any of the modules?

Please update your details at myUnisa. Alternatively send an e-mail, facsimile or letter to indicate any changes that need to be made to your registration. Any such changes must be completed two months before the examination. Please send an e-mail to econ@unisa.ac.za. Alternatively mail a letter addressed to The Registrar, Box 392, UNISA, 0003. Please remember to quote your student number in all correspondence.

7 ACCOUNTS

What do I do if I do not agree with my account statement?

Please send a letter addressed to The Head, Student Accounts, Box 392, UNISA, 0003. Alternatively send an e-mail to finan@unisa.ac.za.

Please provide a copy of your receipt(s), deposit slips or electronic funds transfer (EFT) as proof of payment as well as your student number.

Will the payment immediately appear on my account statement?

Please note that your payment will only be reflected on your next account statement.

SECTION B: ACADEMIC MATTERS

1 THE PRESCRIBED BOOK

May I use any alternative books?
We recommend the use of the recommended book. You are welcome to consult additional reading material but the examination paper is may be based on the prescribed book.

**Which specific pages do I need to study and which can I leave out?**

The chapters that need to be studied are indicated in your study guide. The study guide will indicate if any pages may be left out. You need to focus on achieving the learning outcome statements.

**Could you highlight the most important aspects of each chapter?**

Some students are inclined to study only the “most important aspects”. This may prove to be disastrous in the examination. All aspects of the prescribed chapters identified by means of the learning outcome statements should be regarded as important for the examination.

2 **SUPPLEMENTARY BOOKS AND VIDEOS**

*Are there any supplementary books and videos which I can use?*

No supplementary books and videos are prescribed.

*I would like to do some additional exercises and calculations. Could you provide me with the tutorial letters of 20..?*

Because of limited storage space at Unisa, no tutorial letters from previous years are kept and/or made available to students. Visit myUnisa for additional resources, if available.

3 **CONTACTS WITH FELLOW STUDENTS**

*I wish to contact other students enrolled for this module in my area. Please provide me with their contact details.*

Contact may be established with fellow students at the discussion forum and blog at myUnisa. Due to the constitutional right to privacy we may not disclose the details of students to their fellow students.

4 **EXAMINATION**

*Are any old examination papers available?*

Previous examination papers are published at myUnisa, but no memoranda are made available to students. Old questions will not necessarily be repeated in subsequent examination papers and students are warned not to rely on old examination papers in order to pass the module.

*What will the format of the examination paper be like?*

The format of the examination paper will be confirmed in one of the tutorial letters (normally tutorial letter 201) which will be sent to you during the semester/year.

*Will the examination paper contain any theory questions or will there only be calculations and interpretations?*

Most of the questions involve theory, applications, calculations and interpretations.
Will all the equations be provided as an annexure to the examination paper?

The equations will not be provided as part of the examination paper. You must be able to apply the equations in the exam. No marks are awarded for quoting equations in the examination script.

If I study only the assignment questions, will I be adequately prepared for the examination?

No. It is unlikely that you will be adequately prepared by studying only the assignment questions. The assignment questions represent a sample of the work and cannot be regarded as being representative of all the study material.

Can you give me the “scope” of or any “hints” for the exam?

No “hints” are provided to students. Please do not call the lecturers about the “scope” of or “hints” for the exam. Base your preparation for the examination on the learning outcome statements.

12. CONCLUSION

This tutorial letter provided you with the purpose and outcomes of the module. The contact details of the lecturer(s) have been provided, as well as module related resources and student support services.

It is important that you now prepare a study plan for yourself and devote time to this module in order to achieve success in the examination.

Details of your assessment have been provided, including your assignments for the semester/year.

Some frequently asked questions (FAQs) have been provided in order to save you a telephone call or e-mail.