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Nottingham

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MSc Economics of Monetary and Financial Policy



Contents

Welcome	3
Why study with us?	4
Our course	6
Inspiring academics	8
Leading research	10

Central banking: a new paradigm

The workings of central banks were once conducted in near-anonymity, strictly financial in nature and remarked upon only by a select group of specialists. Now they are open, accountable and engaged in public policymaking.

The transformation can be traced back to operational independence but has been intensified by the use of unconventional policy since the global financial crisis. What began as a response to the events of 2007 and 2008 has become a new normal.

Today, in their role as the heavy lifters of many of the world's economies, central banks are actively engaged in markets and financial assets and far more visible than ever before.

MSc Economics of Monetary and Financial Policy recognises this shift. It focuses on central banks and the unprecedented policymaking way that these institutions have come to hold in bringing about and maintaining monetary and financial stability worldwide.

Develop your knowledge

Devised and taught by academics with extensive experience of central banks around the world, MSc Economics of Monetary and Financial Policy will equip you with the knowledge and expertise needed to find cutting-edge solutions for the problems that financial institutions face after the global crisis.

It is aimed at those planning a career in the sector and those already working in central banking, with opportunities for organisations to sponsor their employees. Core modules are based around key themes such as microeconomics, macroeconomics and quantitative methods. This course is genuinely global in outlook, encompassing organisations and authorities ranging from the domestic to the supranational.

* Known destinations of full-time home postgraduates 2015/16.



6th in the UK for research power
Research Excellence Framework, 2014



$\frac{1}{1-r}$ $\ln(c)$
 $\phi = \theta$
 $(1-\phi)c_t y_t = (1-\phi)c_{t-1} y_{t-1}$
 $y_t = c_t$
ARMA(p,q)

90% of economics postgraduates secured work or further study within six months of graduation*




Top 100 worldwide for economics and econometrics
QS World University Rankings by Subject 2018




“There could hardly be a more interesting area of economics right now than monetary economics and central banking. The financial crisis, the policy response, the banks’ reaction – these are matters that affect everyone.”

Paul Mizen,
Professor of Monetary Economics

Your preparation for a new era of central banking

Highly specialised yet suitable for a wide audience, MSc Economics of Monetary and Financial Policy will develop you, whether you are planning a career in central banking or already working in the sector.

By being part of a diverse student community, you will build your professional and personal networks, and the skills to succeed in your chosen career. This course provides high-level preparation for economist, forecasting or modelling roles.

It can give you a head start for working in a wide range of institutions, be they domestic, such as the Bank of England or the Financial Conduct Authority, or supranational, such as the International Monetary Fund, the World Bank or the Bank for International Settlements.

Career enhancement

If you are currently working as a central banker, you will enhance, refine or add to your own practices, and gain a rich understanding of how your peers around the world function. Drawing on the course tutors' extensive involvement with central banks in a variety of countries, this course provides uniquely informed insights into the valuable lessons that can be learned from different nations, scenarios and approaches.

Central bankers from Southern and Eastern Europe, Asia, Latin America and the former Commonwealth may derive particular benefit, as many of these institutions have similar organisational structures to the Bank of England and other UK institutions and face the same challenges. We promote the sharing of tools, techniques and perspectives, encouraging the successful spill-over of effective policies from major economies to other parts of the world.

Expert teaching

You will learn from academics whose combined expertise and experience in the field of central banking is among the best in the higher education sector. Our experts have worked with the US Federal Reserve, European Central Bank, Bank of England, International Monetary Fund, Bank for International Settlements, Financial Conduct Authority and a number of central banks across Europe, Asia, Latin America and the Caribbean.

Specialist content

We place a clear emphasis on central banking. You will cover essential topics such as the macroeconomic context for decision-making and the behaviour of consumers, firms and financial markets. This course provides a focused and integrated understanding of how monetary and financial policies are formulated, evaluated and implemented.

Leading research

Incorporating the work of specialist research centres, not just within the School of Economics but across the University, this course reflects all the key elements and nuances of 21st-century central banking. This includes the role of globalisation, increased interaction with financial markets, and political implications of monetary policy decisions.

Flexible approach

This course is not constrained by a one-size-fits-all philosophy. It provides excellent preparation for work as an economist, supervisor or regulator in organisations such as the Bank of England, Prudential Regulation Authority, Financial Conduct Authority, or in the private sector in commercial and investment banks, credit rating agencies, pension companies and insurers. Equivalent organisations and firms exist in most countries, and the course has been designed to refer to a broader set of institutions around the world.

If you are already working in central banking, we will help you analyse your current role and organisation, and develop the skills to enhance your knowledge and career. This course is global in the depth and breadth of experience it draws on and in the relevance of the skills it teaches. You will study quantitative methods, theory and applications relevant to central banks and international organisations.



Research informed by the work of a Nobel Prize winner

Learn from economists with substantial financial experience



MSc Economics of Monetary and Financial Policy

This one-year course is taught by economists with substantial experience working with central banks, regulators and other financial institutions.

Next steps

Applicants typically require a 2:1 (or international equivalent) in a discipline with significant economics content. Relevant experience may also be taken into account if you are already working in central banking.

If your first language is not English, we require IELTS 6.5 (no less than 6.0 in any element). For information on fees, funding, alternative entry requirements and applying, visit nottingham.ac.uk/pgstudy/how-to-apply

It will prepare you for an active career in a central bank or regulatory authority overseeing financial markets and institutions, or for work in the financial sector, after you have gained experience of these institutions. You will be equipped with the skills required to become an economist, supervisor or regulator in commercial and investment banks, credit rating agencies, pension companies and insurers, as well as in the public sector.

Unlike a typical economics MSc, this course includes core modules in consumer and firm behaviour, and the macroeconomic context for policymaking. It provides an introduction to monetary and financial policymaking, and hands-on data analysis modules with applications relevant to monetary and financial institutions.

Specialist modules cover the economics of corporate and household finance, while options are offered in macro-financial and general equilibrium modelling techniques, which are widely used by central banks and regulators. These modules offer advanced understanding of institutions, policymaking bodies and techniques used to evaluate policies.

Course structure

This course comprises 120 credits of core and optional modules, plus a 60-credit dissertation on a subject of your choice. You will receive one-to-one support from an expert academic supervisor, and methodological and practical guidance through our Economic Research Methodology module.

If you are already working in the central banking industry, you can complete your dissertation on your own organisation. This includes implementing new ideas to test theories, examining policy options and producing simulations or forecasts in a particular area of relevance to your workplace. Modules are assessed by a combination of exams and coursework at the end of the relevant semester.

Modules

Core

Semester one

- Macroeconomic Policy and Financial Conduct
- Microeconomics: Consumer and Firm Behaviour
- Macroeconomics: Economic Cycles, Frictions and Policy
- Economic Data Analysis

Semester two

- Monetary Theory and Practice

At least one from:

- Economics of Corporate Finance
- Economics of Household Finance

Summer term

- Dissertation

Optional

A wide range of modules is available in semester two. You can choose any two of these, including:

- Advanced Macroeconomic Methods
- International Macroeconomics
- Advanced Microeconomic Theory
- Behavioural Economic Theory
- Experimental Methods in Economics
- Financial and Macroeconometrics
- International Trade Theory
- Trade Analysis and Policy
- Applied Behavioural Economics
- Development Policy Analysis
- Development Microeconomics

Modules may change, for example due to curriculum developments. The above list is a sample of typical modules that we offer, not a definitive list. The most up to date information can be found on our website at nottingham.ac.uk/pgstudy



Experience, expertise and influence

Our academics have worked with and trained central bankers around the globe.

Their world-leading research has been widely recognised in the fields of monetary policymaking and financial regulation, contributing to the new normal that prevails today and which our teaching has been designed to reflect.



Paul Mizen

Professor of Monetary Economics

In the wake of the global financial crisis, Professor Mizen's research into the monetary transfer mechanism was crucial in reshaping Bank of England analyses and gauging the introduction and use of quantitative easing. It has been drawn upon by the Deutsche Bundesbank, the Banque de France and the European Central Bank.

In addition, Paul was instrumental in the forming of the Bank of England's Decision Maker Panel, which collects information on how business conditions in the UK are changing in response to the Brexit vote and subsequent developments. He has worked with the US Federal Reserve, International Monetary Fund and Bank for International Settlements.



John Gathergood

Associate Professor of Economics

As a leading researcher in the field of household behaviour in financial markets and the impact of wealth shocks on indebtedness, consumption and labour supply, Dr Gathergood has advised various organisations including the Bank of England, Financial Conduct Authority, Department for Business, Innovation and Skills, and HM Treasury.

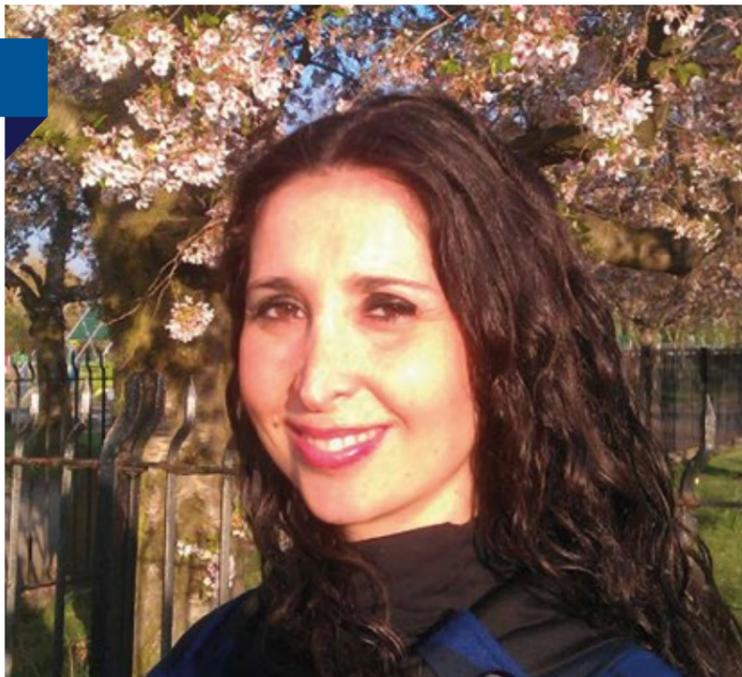
He developed a project to analyse how household over-indebtedness affects consumer credit, the first study of its kind in the UK. This research produced new insights into issues such as sub-prime market participation, poor financial literacy and lack of self-control in low-income households, eventually prompting an official redefinition of over-indebtedness for the purposes of targeting policy initiatives. John's work also informed the Financial Conduct Authority's landmark reform of the payday loans industry.

Margarita Rubio

Assistant Professor of Economics

Using dynamic modelling, Dr Rubio's research into the long-underappreciated links between macro-prudential and monetary policies has influenced policymaker thinking amid the post-financial-crisis landscape. It has shed an especially valuable light on how such relationships play out in countries of varying wealth levels, assisting in the design of long-term strategies to guard against the threat of another global economic meltdown.

Margarita has worked with the US Federal Reserve, Deutsche Bundesbank, Central Bank of Luxembourg, National Bank of Poland, Bank of Lithuania and International Monetary Fund.



Kevin Lee

Professor of Economics

An applied econometrician, Professor Lee has used empirical evidence to inform policy and other key areas of decision-making around issues such as labour economics, industrial organisation and the gap between poor and rich countries. One of the most important areas of his research has been how macroeconomics can be used to understand business cycles and recessions and to help with forecasting and real-time policy analysis.

Kevin has visited and presented work at the Bank of England, Bank of Canada, National Bank of Poland, European Central Bank and Federal Reserve Bank of Philadelphia.



Multitude of perspectives

To fully appreciate how central banks work, it is important to consider a variety of perspectives.

This also applies to the broader effects of their decisions, whether they are financial or political. The unprecedented prominence of these institutions and the far reaching consequences of their actions mean it is no longer sufficient to take a one-dimensional view of central banks.

MSc Economics of Monetary and Financial Policy draws on the expertise of several world-leading research centres to provide you with a rich and nuanced understanding of central banking's new era.

With campuses in the UK, Malaysia and China, the University of Nottingham is well placed to provide the desired range of insights as one of the top 100 universities worldwide, according to the QS World University Rankings 2018.

Research at Nottingham generates discoveries, many of which have profound social, economic and cultural benefits and address major global challenges.

Centre for Finance, Credit and Macroeconomics

We look at issues arising from household and corporate debt through this centre, alongside default on debt and against a wider backdrop of credit markets and macroeconomy.

Our interests lie in theoretical and applied public economics and policy evaluation, with a particular focus on public economic theory, political economy, pensions, retirement and consumer finance, economics of education, health economics, and environmental policy.

MSc Economics of Monetary and Financial Policy is linked particularly closely with this centre. You will be taught by centre fellows, with teaching influenced by research published in the working paper series and internationally recognised peer-reviewed journals. You can also take part in a weekly seminar series, one-day conferences and regular public lectures.

Centre for Research on Globalisation and Economic Policy

Since we first established this centre 20 years ago with core funding from the Leverhulme Trust, we have used scientific and policy-focused research techniques to examine trade, FDI and labour market issues.

The centre is the European hub for the study of the impact of globalisation and economic policy, and one of the largest of its kind in the world. Academics have advised HM Treasury, the World Bank and World Trade Organization.

We are particularly interested in the links between changes in patterns of international trade, cross-border investment and production, international regulation and labour market outcomes. Our latest project explores China and the world economy.

Centre for Decision Research and Experimental Economics

Our behavioural and experimental economics research, and experimental economics laboratory, is based within this centre, which is one of the largest of its kind in Europe. We examine individual and interactive decision-making through a combination of theoretical and experimental methods.

On the theory side, this involves investigating individual choice under uncertainty, cooperative, non-cooperative and evolutionary game theory, and political economy. We apply experimental methods in, for example, the fields of social cooperation and sanctions, individual choice, strategic interaction, and the performance of auctions, markets and other economic institutions.

Research from this centre is published in top international journals and the centre also publishes its own discussion paper series. The University of Nottingham is consistently ranked among the top institutions for behavioural economics and is rated 2nd in the world according to the latest RePEc/IDEAS rankings.

Nottingham Interdisciplinary Centre for Economic and Political Research

Established through a collaborative effort between the School of Economics and the School of Politics and International Relations, this centre brings our very distinct approaches together. We look at political institutions and public decision-making, through examining representation, political behaviour, political economy and public policy, and quality of government.

“We live in a turbulent and difficult economic environment in which models and beliefs that were once taken for granted don't apply any more. These are precisely the times in which economists are most needed.”

Margarita Rubio,
Associate Professor of Economics



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