

金融业导论

BUSINESS

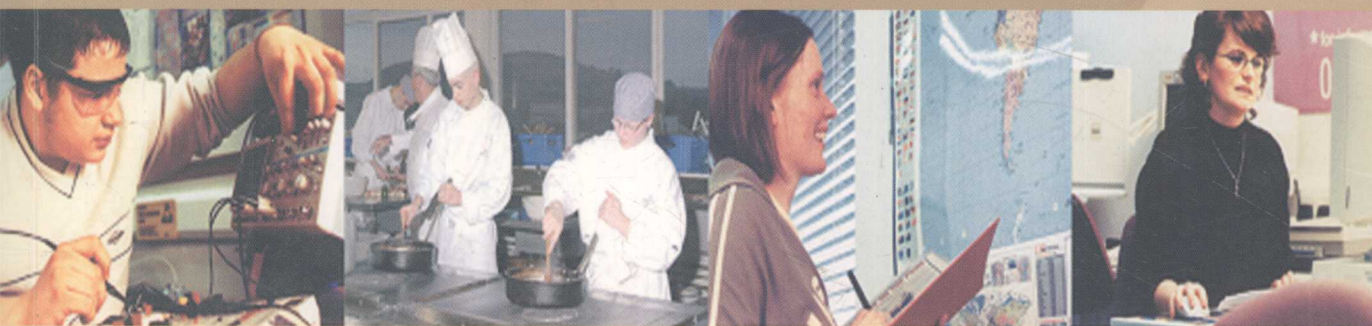
HIGHER NATIONAL DIPLOMA

【英】苏格兰学历管理委员会 (SQA)
Scottish Qualifications Authority

Unit Student Guide

Financial Sector: An Introduction

DG8A 04



 中国时代经济出版社

SCOTTISH
QUALIFICATIONS
AUTHORITY



金融业导论

BUSINESS

HIGHER NATIONAL DIPLOMA

【英】苏格兰学历管理委员会 (SQA)
Scottish Qualifications Authority

Unit Student Guide

Financial Sector: An Introduction

DG8A 04



中国时代经济出版社

SCOTTISH
QUALIFICATIONS
AUTHORITY



著作权合同登记 图字：01-2004-4864号

图书在版编目 (CIP) 数据

金融业导论/苏格兰学历管理委员会著. -北京：中国时代经济出版社，2004.9

ISBN 7-80169-589-5

I .金… II .苏… III .金融事业-教材-英文 IV .F83

中国版本图书馆CIP数据核字 (2004) 第081924号

“First published by CMEPH”

“All Rights Reserved”

“Authorized Apograph/ Translation/Adaptation of the editions by the Scottish Qualifications Authority. All Intellectual Property Rights vest in the Scottish Qualifications Authority and no part of these “Works” may be reproduced in any form without the express written permission of Scottish Qualifications Authority”

Financial Sector: An Introduction

金融业导论

苏格兰学历管理委员会著

出 版 者	中国时代经济出版社
地 址	北京市东城区东四十条24号 青蓝大厦东办公区11层
邮 政 编 码	100007
电 话	(010) 68320825 68320517
传 真	(010) 68320634
发 行	各地新华书店
印 刷	北京新丰印刷厂
开 本	787×1092 1/16
版 次	2004年9月第1版
印 次	2004年9月第1次印刷
印 张	20.75
定 价	52.00元
书 号	ISBN 7-80169-589-5/G·179

版权所有 侵权必究

Contents

1	Introduction to the Scottish Qualifications Authority	1
2	Introduction to the Unit	3
2.1	What is the Purpose of this Unit?	3
2.2	What are the Outcomes of this Unit?	3
2.3	What do I Need to be Able to do in Order to Achieve this Unit?	4
2.4	Approximate Study Time for This Unit	4
2.5	Equipment/Material Required for this Unit	5
2.6	Symbols Used in this Unit	5
3	Assessment Information for this Unit	9
3.1	What Do I Have to Do to Achieve This Unit?	9
4	Suggested Lesson Plan	11
5	Learning Material	17
5.1	Section 1	17
5.2	Section 2	29
5.3	Section 3	55

5.4	Section 4	74
5.5	Section 5	110
5.6	Section 6	125
5.7	Section 7	138
5.8	Section 8	144
5.9	Section 9	157
5.10	Section 10	179
5.11	Section 11	199
5.12	Section 12	209
5.13	Section 13	216
5.14	Section 14	254
5.15	Section 15	266
5.16	Section 16	287
6	Additional Reading Material	303
7	Solutions to Self Assessed Questions and Activities	305
8	Copyright References	323
9	Acknowledgements	325

1

Introduction to the Scottish Qualifications Authority

This Unit Financial Sector: An Introduction DG8A 04 has been devised and developed by the Scottish Qualifications Authority (SQA). Here is an explanation of the SQA and its work:

The SQA is the national body in Scotland responsible for the development, accreditation, assessment, and certification of qualifications other than degrees.

Its website can be viewed on: www.sqa.org.uk

SQA's functions are to:

- devise, develop and validate qualifications, and keep them under review
- accredit qualifications
- approve education and training establishments as being suitable for entering people for these qualifications
- arrange for, assist in, and carry out, the assessment

of people taking SQA qualifications

- quality assure education and training establishments which offer SQA qualifications
- issue certificates to candidates.

In order to pass SQA units, students must complete prescribed assessments. These assessments must meet certain standards.

The Unit Specification outlines the three Outcomes that students must complete in order to achieve this unit. The Specification also details the knowledge and/or skills required to achieve the outcome or outcomes. The Evidence Requirements prescribe the type, standard and amount of evidence required for each outcome or outcomes.

2

Introduction to the Unit

2.1

What is the Purpose of this Unit?

This unit is designed to introduce you to the financial services sector and to provide you with an understanding of the roles of the main institutions and markets that collectively make up the sector.

It is primarily intended to prepare you for employment in banks, building societies, or insurance companies, in clerical, sales or support positions.

It may also be suited to those of you who are interested in matters relating to finance and financial institutions.

2.2

What are the Outcomes of this Unit?

There are three outcomes in this Unit. These are:

- Explain the role of financial institutions in the UK financial sector
- Explain the role of capital markets in the UK financial sector
- Explain the role of money markets in the UK financial sector.

2.3

What do I
Need to be
Able to do in
Order to
Achieve this
Unit?

In order to achieve this Unit you will need to:

- Attend classes, workshops, tutorials etc where appropriate
- Prepare for each lesson
- Take relevant notes where appropriate
- Read the prepared materials provided in this Unit study guide
- Read the recommended textbooks, journals and periodicals
- Review materials for preparation of assessment
- Complete a given assessment within the given timescale, and to the agreed standard
- Work independently or as part of a team, where required.

2.4

Approximate
Study Time for
This Unit

Completion of this Unit is intended to be flexible.

It is anticipated that you will be able to complete this Unit in approximately 40 hours.

This is inclusive of teaching time and self-study time. However, it is understood that, due to your individual circumstances, some of you will need less and others may need more time to complete.

2.5 Equipment/ Material Required for this Unit

Unit Student Guide—Financial Services: An Introduction

2.6 Symbols Used in this Unit

The various Learning Materials sections are designed so that you can work at your own pace, with tutor support. As you work through the Learning Materials (see Section 5), you will encounter symbols. These symbols indicate that you are expected to do a task. **These tasks are not Outcome Assessments.** They are exercises designed to consolidate learning or encourage thought, in preparation for the Outcome Assessment (see Section 3—Assessment Information for this Unit).

Activity



This symbol indicates an Activity (A). Usually, activities are used to improve or consolidate your understanding of the subject in general or a particular feature of it.

In this unit, you are asked to undertake a number of activities. Many of these are designed to test your understanding of what has gone before, others to pre-test your understanding of what is about to follow.

Occasionally you will be asked to use alternative source material eg Internet, to find out relevant information for yourself.

The activities will not serve this purpose if you refer to the responses prior to having attempted the Activity.

Self Assessed Question



This symbol indicates a Self Assessed Question. Using a Self Assessed Question helps you check your understanding of the content that you have already covered. The Self Assessed Questions in this guide will often take the form of questions that require brief

answers. They are designed to test your understanding of the material and to encourage you to investigate further into the subject.

Everything is provided for you to check your own responses. Answers to the Self Assessed Questions are to be found at the back of the Unit Student Guide. Where suggested responses to activities are provided in the Unit Student Guide, **students are strongly discouraged from looking at these responses before they attempt the activity.** The activities throughout the Unit Student Guide will help you to prepare yourself for the formal assessments, and to identify topic areas in which you will require clarification and additional tutor support. The activities will not serve this purpose if you look at the answers before trying the activity!

Self Assessed Questions and activities are designed to be checked by you. No tutor input is necessary at this stage unless special help is requested, although from time to time your tutor may wish to view your responses to Self Assessed Questions to see how you are progressing.

3

Assessment Information for this Unit

3.1

What Do I
Have to Do to
Achieve This
Unit?

There are three Outcomes in this Unit, and there is usually one formative Assessment that relates to these three outcomes. In order to achieve this Unit, you will be asked to present evidence in your assessment to show that you have met all the minimum knowledge and skills to meet the outcomes for the unit, as identified in the unit specification for Financial Sector: An Introduction.

For this Unit you are required to complete a summative assessment based on the contents of a given case study. The case study will be provided to you 7 to 10 days prior to the assessment date. On the day of the assessment you will be required to answer a number of unseen questions.

You will be permitted to bring notes that you have prepared to the assessment.

4

Suggested Lesson Plan

The Learning Materials (see Section 5) are designed to lead you through a series of activities which will allow you to consolidate your learning and check on your own progress.

The following suggested lesson plan is based on a notional 40 hours of contact between tutors and students and assumes class contact sessions lasting 2 hours.

Lesson Number	Topic(s)
1	<p>Introduction to the module; explanation of the unit specification; use of student guide; explanation of the unit assessment.</p> <p>Introduction to topic—</p> <p>Why are financial intermediaries required? (1)</p> <ul style="list-style-type: none"> • Explanation of Surplus and Deficit Units <ul style="list-style-type: none"> ◆ Identify the surplus and deficit units that make up economic agents ◆ Give examples of surplus and deficit units ◆ Explain how surplus and deficit units are created • Explain the system of barter and its limitations • What is a financial intermediary? • Explain how financial intermediaries overcome the problems

1	<p>encountered with barter</p> <ul style="list-style-type: none">• Describe the role of financial intermediaries• Explain maturity and risk transformation, aggregation and Disintermediation• Discuss the move towards disintermediation.
2	<p>Explain the importance of money in society.</p> <ul style="list-style-type: none">• Define money• Describe the functions and qualities of money• Discuss the role of financial intermediation in dealing with money.
3	<p>The Bank of England (1)</p> <ul style="list-style-type: none">• Briefly explain the history of the Bank of England• Discuss the role of the Central Bank• Identify the core purposes of the Bank• Explain the role of the Bank in controlling interest rates• Discuss the importance of lender of last resort.
4	<p>The Bank of England (2)</p> <ul style="list-style-type: none">• Explain how the Bank of England is structured• Identify the main functions of the Bank• Discuss the balance sheet composition of the Bank• Discuss the role adopted by the Bank of England within the European Union and on the world's financial markets.
5	<p>UK High Street Banks (1)</p> <ul style="list-style-type: none">• Define primary and secondary banks• Identify the categories of financial institutions that accept deposits• Describe the origins of, and main developments in, the English High Street banking sector• Describe the origins of, and main developments in, the Scottish High Street banking sector.