

Subject		Year	Term
Economics (macro)		Year 13	4
Topic			
Financial Markets and Financial Regulation			
Content (Intent)			
<p>Prior Learning – In Y12 students looked at monetary policy, although the focus then was mainly centred on the use of interest rates. Last term students learned about financial markets and their significance, which links to the upcoming content on financial regulation.</p>			
Content			
Central banks and monetary policy			
4.2.4.3	a	The main functions of a central bank	
4.2.4.3	b	That monetary policy involves the central bank taking action to influence interest rates, the supply of money and credit and the exchange rate	
4.2.4.3	c	The current objectives of monetary policy set by the government.	
4.2.4.3	h	How the Bank of England can influence the growth of the money supply.	
The regulation of the financial system			
4.2.4.4	a	Regulation of the financial system in the UK, eg the role of the Bank of England, the Prudential Regulation Authority (PRA), the Financial Policy Committee (FPC) and the Financial Conduct Authority (FCA).	
4.2.4.4	b	Why a bank might fail, including the risks involved in lending long term and borrowing short term.	
4.2.4.4	c	Liquidity ratios and capital ratios and how they affect the stability of a financial institution	
4.2.4.4	d	Moral hazard.	
4.2.4.4	e	Systemic risk and the impact of problems in financial markets upon the real economy	
<p>Future Learning – Whilst there is no new content to link to, students will continue to look at the links between different parts of the economy as they look at exam questions ahead of their A-level exams.</p>			
How will knowledge and skills be taught? (Implementation)		How will your understanding be assessed & recorded (Impact)	
<p>This topic will involve links to the four assessment objectives throughout and will include, but not be limited to:</p> <ul style="list-style-type: none"> - Teacher led lesson content - Independent learning tasks - Group discussion/debates and questioning - Using economic terminology - Reference to economic examples throughout 		<ul style="list-style-type: none"> - Past Paper responses and essays. Marked and feedback given. - Verbal responses. Individual and class feedback given. 	
How can parents help at home?			
<ul style="list-style-type: none"> • Discussing ideas and content at home & linking it to real world situations that they are aware of. • Watch the news and/or read a good quality newspaper • Watch any topical films or documentaries that link to economics e.g. Panorama, dispatches etc. • Support us with our department's high expectations of spelling, grammar, punctuation, and minimum standards. 			

Helpful further reading/discussion

Reading

- Economics A level textbooks
- Tutor 2u website and YouTube channel
- www.econplusdal.com
- <https://www.tutor2u.net/>
- BBC website for current economics articles

Vocabulary Key Words

- Central bank
- Quantitative easing
- Prudential Regulation Authority
- Financial Policy Committee
- Financial Conduct Authority
- Liquidity ratios
- Capital ratios
- Moral hazard
- Systemic risk

Careers Links

A level economics develops skills and knowledge that help in a wide range of careers. An understanding of how changes in economic variables impacts the economic environment that firms operate in is useful for careers in a wide range of industries. Data handling and interpretation skills, along with the ability to construct alternative arguments to a problem before drawing conclusions are valued in many careers.