
University of Pretoria Yearbook 2023

Monetary economics and banking 816 (EKN 816)

Qualification	Postgraduate
Faculty	Faculty of Economic and Management Sciences
Module credits	10.00
NQF Level	09
Programmes	MCom (Econometrics) (Coursework) MCom (Economics) (Coursework)
Service modules	Faculty of Natural and Agricultural Sciences
Prerequisites	Only for students in relevant programme
Contact time	1 lecture per week
Language of tuition	Module is presented in English
Department	Economics
Period of presentation	Semester 1 or Semester 2

Module content

This module presents an advanced treatment of critical topics in monetary economics and the models economists use to investigate the interactions between real and monetary factors. It provides extensive coverage of general equilibrium (DSGE) models, models of the short-run real effects of monetary policy, and game-theoretic approaches to monetary policy. Among the topics covered are models of time consistency, monetary policy operating procedures, interest rates and monetary policy.

Throughout, this module focuses on the implications of interest rate control for monetary policy. The module is designed for advanced graduate students in monetary economics, economic researchers and economists working in policy institutions and central banks.

The module includes discussions of empirical evidence on the new Keynesian model, inflation forecast targeting models, optimal policies in forward-looking models, stability and the Taylor principle, and open economy new Keynesian models. It explicitly treats policy analysis in new Keynesian models and their underlying DSGE foundations for both a closed economy, a small open economy and a two-country world economy; the discussion includes the derivation of the policy objective function, optimal commitment and discretionary outcome, targeting rules and instrument rules.

Regulations and rules

The regulations and rules for the degrees published here are subject to change and may be amended after the publication of this information.



The [General Academic Regulations \(G Regulations\)](#) and [General Student Rules](#) apply to all faculties and registered students of the University, as well as all prospective students who have accepted an offer of a place at the University of Pretoria. On registering for a programme, the student bears the responsibility of ensuring that they familiarise themselves with the General Academic Regulations applicable to their registration, as well as the relevant faculty-specific and programme-specific regulations and information as stipulated in the relevant yearbook. Ignorance concerning these regulations will not be accepted as an excuse for any transgression, or basis for an exception to any of the aforementioned regulations.

University of Pretoria Programme Qualification Mix (PQM) verification project

The higher education sector has undergone an extensive alignment to the Higher Education Qualification Sub-Framework (HEQF) across all institutions in South Africa. In order to comply with the HEQSF, all institutions are legally required to participate in a national initiative led by regulatory bodies such as the Department of Higher Education and Training (DHET), the Council on Higher Education (CHE), and the South African Qualifications Authority (SAQA). The University of Pretoria is presently engaged in an ongoing effort to align its qualifications and programmes with the HEQSF criteria. Current and prospective students should take note that changes to UP qualification and programme names, may occur as a result of the HEQSF initiative. Students are advised to contact their faculties if they have any questions.