

Course and Examination Fact Sheet: Spring Semester 2026

10,275: Banking and Contract Economics

ECTS credits: 4

Overview examination/s

(binding regulations see below)

decentral - Written examination, Digital, Individual work individual grade (100%)

Examination time: Term time

Attached courses

Timetable -- Language -- Lecturer

[10,275,1.00 Banking and Contract Economics](#) -- English -- [Kartasheva Anastasia](#)

Course information

Prerequisites

Knowledge of advanced microeconomics and empirical methods

Learning objectives

This course is to introduce the student to the scientific literature dealing with the economics and econometrics of banking and insurance, both theoretical and empirical.

Content

HSG	Banks and Informational Frictions, the Industrial Organization approach to Financial Intermediation (Kartasheva) Freixas and Rochet, Chapter 2 and Chapter 3
	The Lender-Borrower Relationship; Macroeconomic consequences (Kartasheva) Freixas and Rochet, Chapter 4 and Chapter 5
HSG	Bank Runs; Liquidity (Kartasheva) Freixas and Rochet, Chapters 6 and Chapter 7
	Banking Regulation: Microprudential (Kartasheva) Freixas and Rochet, Chapter 8



UZH	<p>Banking Regulation: Macroprudential (Kartasheva) Freixas and Rochet, Chapter 9</p>
	<p>Difference-in-Differences (Ongena) Degryse, Kim, and Ongena, Chapter 4</p> <p>Cerqueiro, G., Ongena, S., K. Roszbach, 2016. Collateralization, bank loan rates and monitoring: Evidence from a natural experiment, <i>Journal of Finance</i>, 71, 1295-1322.</p>
UZH	<p>Instrumental Variables (Briukhova) Degryse, Kim, and Ongena, Chapter 4</p> <p>Regression Discontinuity Designs, Regression Kink Designs and Bunching Estimators (Briukhova) Degryse, Kim, and Ongena, Chapter 4</p>
UZH	<p>Duration Analysis and Applications (Ongena) Degryse, Kim, and Ongena, Chapter 4</p> <p>Kiefer, N.M., 1988, Economic duration data and hazard functions, <i>Journal of Economic Literature</i> 26, 646-679.</p> <p>Ongena S. and D.C. Smith, 2001, The duration of bank relationships, <i>Journal of Financial Economics</i> 61, 449-475.</p>
	<p>Event Studies and Applications (Ongena) Degryse, Kim, and Ongena, Chapter 2</p> <p>James, C.M., 1987. Some evidence on the uniqueness of bank loans. <i>Journal of Financial Economics</i> 19, 217-235.</p> <p>McWilliams, A. and D. Siegel, 1997, Event studies in empirical research: Theoretical and empirical issues, <i>Academy of Management Journal</i> 40, 626-657.</p> <p>Ongena S., D.C. Smith and D. Michalsen, 2003, Firms and their distressed banks: lessons from the Norwegian banking crisis (1988-1991), <i>Journal of Financial Economics</i> 67:1, 81-112.</p> <p>Karceski J., S. Ongena and D.C. Smith, 2005, The impact of bank consolidation on commercial borrower welfare, <i>Journal of Finance</i>, 60:4, 2043-2082.</p> <p>Binder, J.J., 1985. Measuring the effects of regulation with stock price data. <i>RAND Journal of Economics</i> 16, 167-183.</p> <p>Carletti, E., Hartmann, P., Ongena, S., 2015. The economic impact of merger control legislation. <i>International Review of Law and Economics</i>, 42, 88-104.</p>



UZH	<p>Matching (Ongena) Degryse, Kim, and Ongena, Chapter 4</p> <p>Stuart, E.A., 2010. Matching methods for causal inference: A review and a look forward. <i>Statistical Science</i>, 25:1, 1-21.</p> <p>Ioannidou, V. P., and S. Ongena, 2010, "Time for a change": Loan conditions and bank behavior when firms switch banks, <i>Journal of Finance</i> 65, 1847-1878.</p> <p>Caliendo, M., Kopeinig, S., 2008. Some practical guidance for the implementation of propensity score matching. <i>Journal of Economic Surveys</i> 22, 31-72.</p> <p>Giannetti, M., Ongena, S., 2012. 'Lending by example': Direct and indirect effects of foreign bank presence in emerging markets. <i>Journal of International Economics</i> 86, 167-180.</p>
	<p>Heteroskedastic Modelling (Ongena)</p> <p>Degryse, Kim, and Ongena, Chapter 4</p> <p>Cerqueiro, G., H. Degryse, and S. Ongena, 2011, Rules versus discretion in loan rate setting," <i>Journal of Financial Intermediation</i> 20, 503-529.</p>
	<p>a take-home written assignment (1/2 theory, 1/2 empirical) with a 1-week deadline (the exact timing to be agreed upon in class, but taking place before June 12)</p>

Structure and indications of the learning and teaching design

12 Modules on 6 sessions/days

Literature

Textbooks:

Freixas, X., and J. C. Rochet, 2023, *Microeconomics of Banking* (MIT Press).

Degryse, H., M. Kim, and S. Ongena, 2009, *Microeconometrics of Banking* (Oxford University Press).

All listed articles are recommended readings. The papers are provided through the course intranet site. The books are not provided and the students are responsible to obtain a copy of the Freixas/Rochet book for use in class. The Degryse/Kim/Ongena book is optional.

Additional information



This course is jointly offered by the University of Zürich (Prof. Steven Ongena and Dr. Olga Briukhova) and the University of St. Gallen (Prof. Anastasia Kartasheva). The first 2 sessions will take place at the University of St Gallen. The other 4 sessions will take place at the University of Zurich.

Examination information

Examination sub part/s

1. Examination sub part (1/1)

Examination modalities

Examination type	Written examination
Responsible for organisation	decentral
Examination form	Written exam
Examination mode	Digital
Time of examination	Term time
Examination execution	Asynchronous
Examination location	Off Campus
Grading type	Individual work individual grade
Weighting	100%
Duration	--

Languages

Question language: English

Answer language: English

Remark

a take-home written assignment, 1 week deadline

Examination-aid rule

Open Book

Students are free to choose aids, apart from the following restrictions:

- pocket calculator models which are not part of the Texas Instruments TI-30 series, as well as any programmable electronic devices that are capable of communication such as electronic dictionaries, notebooks, tablets, smartphones, headsets, additional screens, etc. are not admissible;
- there is an option for faculty members to explicitly define exceptions under supplementary aids.

Procuring any aids, as well as ensuring their working order, is the exclusive responsibility of students.

Supplementary aids

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Content

Lecture slides

Textbook chapters

Empirical papers according to reading list

Literature



All listed articles are recommended readings. The papers are provided through the course intranet site. The books are not provided and the students are responsible to obtain a copy of the Freixas/Rochet book for use in class. The Degryse/Kim/Ongena book is optional.

Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 13 (Monday, 23rd March 2026) are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 22nd January 2026);
- Examination information (supplementary aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 16 March 2026);
- Examination information (supplementary aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 14 (Monday, 30 March 2026);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before ending with de-registration period in CW 15 (Monday, 06 April 2026).