



# MASTER IN CENTRAL BANKING

((N/0311/7/0002)(04/25)(MQA/FA13101))

Leading-edge education for high-potential central bankers

**Asia School of Business (DU046(W))**  
established in collaboration with MIT Sloan Management



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In providing leading edge immersive learning in Central Banking, the Asia School of Business aims to contribute towards developing organisational capability, and thus the institutional resilience of Central Banks.

**Dr. Zeti Aziz**

Founding Chair, Asia School of Business

Co-Chair, Board of Governors

Former Governor, Bank Negara Malaysia







ASB Academic Building

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# 01.

## Welcome to the Master in Central Banking Program Empowering Central Banks for a Changing World

Central banks are operating in a fast-changing economic and financial environment. In maintaining monetary and financial stability, overseeing payment systems or managing reserves, central bankers must therefore be agile and ready to embrace new practices. Participants in the Master in Central Banking Program will be equipped for this challenge.



Our understanding of how to extract maximal information from financial markets has increased dramatically. The Master in Central Banking program **provides the necessary tools and knowledge** so that central bank leaders can access and use this information most effectively.

### **Prof. Robert Merton**

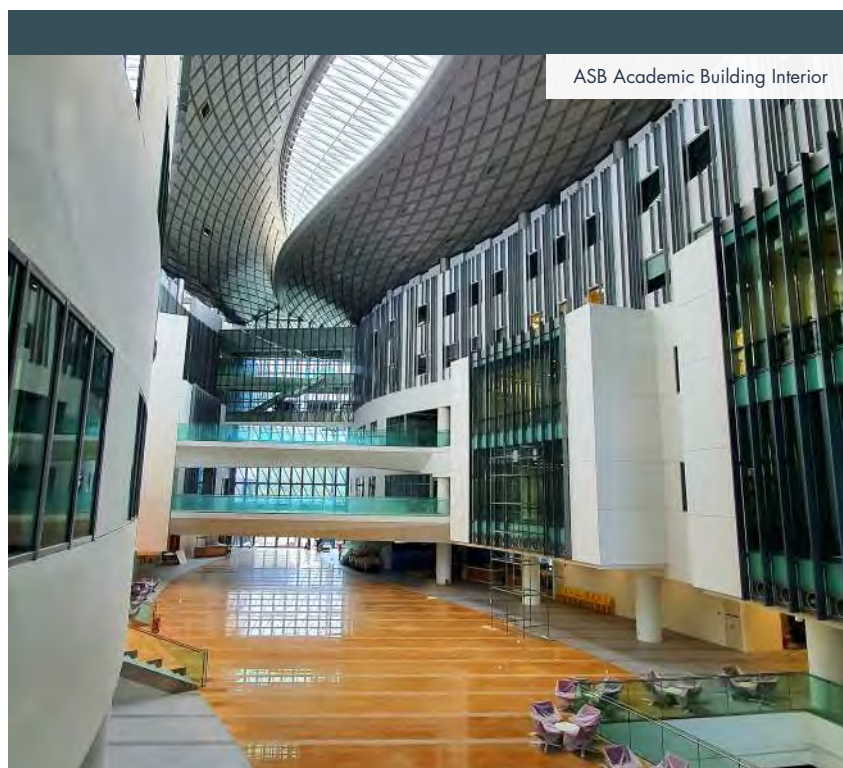
School of Management Distinguished Professor of Finance, MIT  
Nobel Memorial Prize in Economic Sciences,  
Co-Chair, ASB Master in Central Banking Advisory Council



ASB believes deeply in modern pedagogy and in continuous improvement. Through its focus on the capacity development needs of central banks, the MCB program develops an integrated 'systems thinking' understanding of central bank functions and their inter-related implications. It employs the 'mind and hand' ethos of MIT, with group learning in diverse teams, and independent projects as a basis for life-long learning.

### **Sanjay Sarma**

Chief Executive Officer, President and Dean of the Asia School of Business



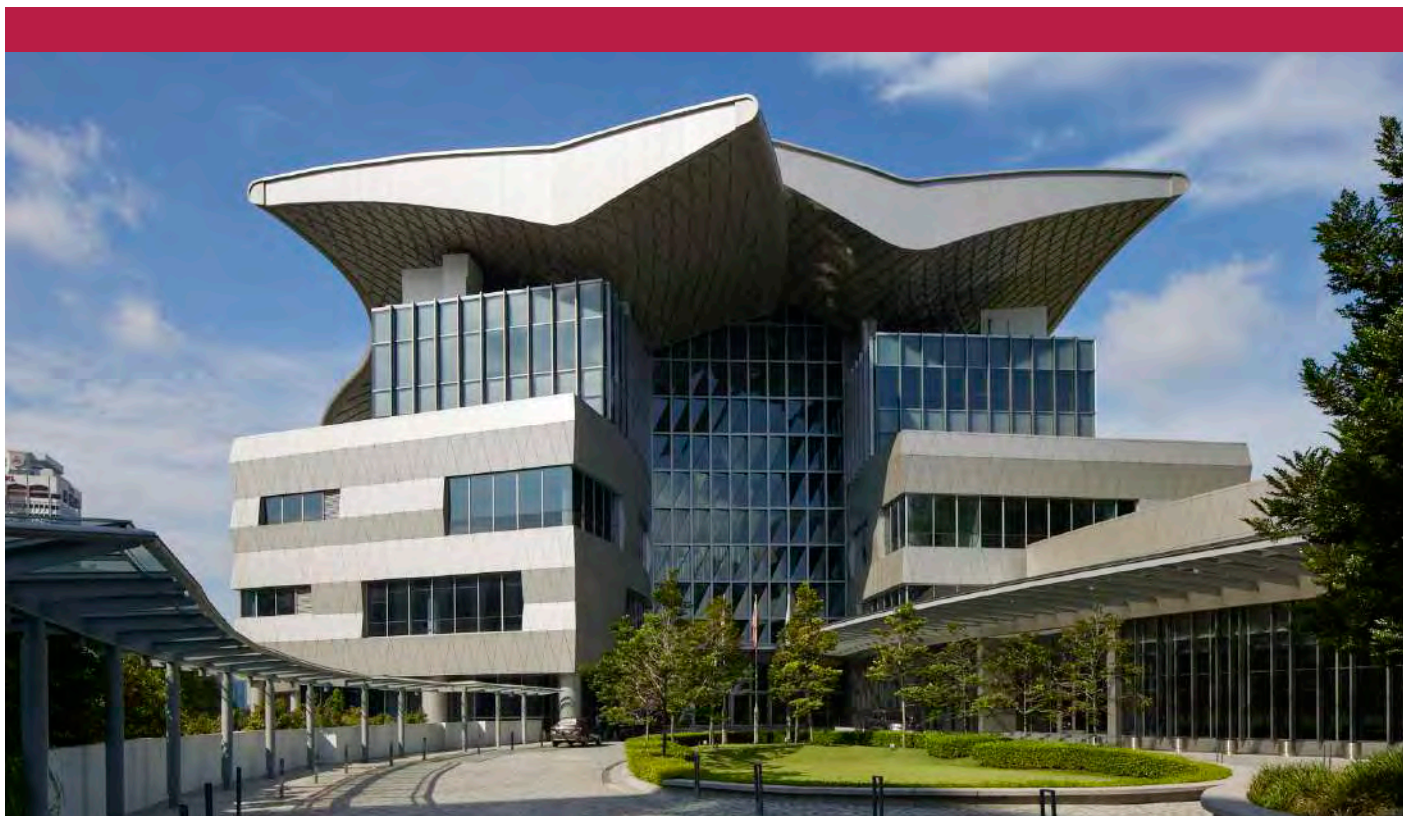
ASB Academic Building Interior

## Local Nuance, Global Outlook

The Master in Central Banking (MCB) is a year-long residential program built on the formidable intellectual resources of MIT and Bank Negara Malaysia and designed especially for central bankers. It offers a comprehensive curriculum that connects all the core functions of central banking. In addition, the transformative 12-month journey recognizes the importance of organizational management, with dedicated courses on topics such as ethics, leadership, and governance.

The MCB program is also global. It includes a six-week immersion period at MIT Sloan School of Management, where distinguished faculty will deliver courses specifically designed for the MCB, emphasizing systems thinking, best practices, innovation, and new technologies.





“

I wish ASB's Master in Central Banking program had been available years ago so I could have seized this opportunity sooner. For those keen on pursuing a career in Central Banking, I would recommend taking this course as soon as possible so that you can contribute more widely. In order to be a more holistic central banker, I needed to learn about other aspects of central banking. This program addressed that need.

The Master in Central Banking program through its comprehensive curriculum that connects all the core functions of central banking provides you with a broad perspective and will assist you in deciding on a career path at the Central Bank.

**Rino Zerna**  
Philippines, MCB Class of 2023



“

The MCB program provides a broad understanding of central bank management from the perspectives of both developed and developing countries, as well as current information around latest developments on digital economy and data analytics. The MCB program also provides broad networking opportunities with an international network of central banking friends to address the challenges posed by increasing global economic and financial integration.

**Donny Hendri Pratama**  
Indonesia, MCB Class of 2022



02.

## Who the Program is For? At a Glance

This program is designed for professionals working in central banks and in other public institutions that carry out related central banking functions. Typical participants on this program may include:

- High potential candidates at the early stages of developing a career in central banking or financial regulation.
- Central bankers looking to gain a broad perspective of the role, mandates, and governance of central banks.
- Those who aspire to positions of leadership within their institution and wish to broaden their skills and knowledge to advance.



“

I truly enjoy my work at the Central Bank. Being in the MCB program has further fostered a deeper appreciation and enthusiasm for the work that I do. It has provided me the opportunity to greatly expand my paradigm of knowledge. The exposure to new and diverse areas of learning provokes thought and helps me explore innovative solutions which will be most useful when I return to my role.

**Dalila Hanim Hairudin**  
Malaysia, MCB Class of 2023

### MCB Class of 2025 profile

Average  
age:

**35**

Nationalities  
represented:

**8**

Percentage  
women:

**44%**

Average  
central banking  
work experience

**10  
years**



## At a Glance

- 12-month residential program designed to build a strong global central banking network
- Six-week immersion at MIT Sloan
- Taught by central banking experts and faculty from MIT Sloan and the Asia School of Business
- Overseen by an Advisory Board including nine former central bank governors from four continents
- The global nature of ASB and MIT Sloan faculty and your classmates give you access to thinking and best practice from developed and emerging markets. You will have the ability to bring back to your organization the latest tools, ideas, and practices while building a global network of fellow central bankers.
- Showcase your professional development with an accredited qualification.



“

When we evaluate economic policy frameworks in developing and emerging economies, it is crucial to take into account the particular circumstances and challenges these economies face. Policy frameworks that are appropriate in advanced economies need to be adapted to the realities of emerging economies. This program explains how.

**Prof. Hans Genberg**

Professor of Economics  
Senior Director of Central Banking Programs



“

What I value immensely is the opportunity to meet and discuss common issues with fellow central bankers. It is rare to be exposed to the development of central banks in different parts of the world, and it distinguishes the MCB from other programs.

**Vipichbolreach Long**

Cambodia, MCB Class of 2022

## What Sets Us Apart

- **Integrative:** A connected view of all central bank functions
- **Deep MIT faculty involvement:** Six-week MIT immersion and MIT faculty teaching in KL
- **Transformative:** Modules on leadership, governance, communication, and negotiation
- **Forward-looking:** Emphasis on best practice, innovation, and new technologies
- **Global:** Diverse class, trek to the U.S. – a global network

## 03. Taught By Central Bank Experts and Distinguished MIT & ASB Faculty



**Robert C. Merton**

School of Management  
Distinguished  
Professor of Finance



**Athanasios Orphanides**

Professor of Practice,  
Global Economics and  
Management



**Adrien Verdelhan**

Stephens Naphtal  
Professor of  
Finance



**Simon Johnson**

Ronald A. Kurtz  
(1954) Professor of  
Entrepreneurship



**Deborah Lucas**

Sloan Distinguished  
Professor of Finance



**Emilio J. Castilla**

NTU Professor of  
Management and  
a Professor of Work  
and Organization  
Studies



**Roberto Rigobon**

Society of Sloan  
Fellows Professor of  
Management



**David A. Singer**

Raphael Dorman-  
Helen Starbuck  
Professor of Political  
Science



**Eric So**

Sarofim  
Family Career  
Development  
Professor



**Antoinette Schoar**

Stewart C.  
Myers-Horn Family  
Professor of Finance



**Eric Rosengren**

Visiting Professor at the  
MIT Golub Center for  
Finance and Policy &  
Former President & CEO  
of the Federal Reserve  
Bank of Boston



**John E. Core**

Nanyang  
Technological  
University Professor  
and a Professor of  
Accounting



**Bruno Verdini**

Lecturer Urban  
Planning and  
Negotiation



**Egor Matveyev**

Senior Lecturer and  
Research Scientist in  
Finance



**Hui Chen**

Nomura Professor of  
Finance Professor of  
Finance



## ASB Resident Faculty & Visiting Faculty



**Hans Genberg**  
Professor of Economics  
Senior Director of  
Central Banking Programs  
*PhD University of Chicago*



**Kevin Crow**  
Associate Professor  
of International  
Law and Ethics  
*PhD Universität  
Halle-Wittenberg*



**Anella Munro**  
Professor  
of Economics  
*D.Phil. University  
of Oxford*



**Ikuo Takei**  
Associate Professor of  
Finance  
*PhD University of  
Wisconsin-Madison*



**Ozer Karagedikli**  
Professor of Practice  
*PhD The Philipp  
University of Marburg*



**Ho Sui-Jade**  
Visiting Professor  
Faculty Director of Tun Ismail  
Ali Center of Excellence  
*PhD University of Michigan*



**Andrew Coleman**  
Visiting Professor  
*PhD Princeton University*



**Lee Sang Seok**  
Professor of Economics  
Faculty Director of Tun Ismail  
Ali Center of Excellence  
*D.Phil. University of Oxford*



**Ziyaad Mahomed**  
ASB Adjunct  
Associate Professor  
Assistant Professor at  
INCEIF & Chairman of  
the Shariah Board of  
HSBC Amanah Malaysia



**Alessandro Santoni**  
ASB Adjunct  
Associate Professor  
Advanced CAMS-FCI  
& CAMS, Seasoned  
Central Banker &  
Formerly with the IMF



**Shasha Kartini  
Ridzam**  
Director, Strategic  
Communications  
Department, Central  
Bank of Malaysia



**Patrick Honohan**  
Former Governor  
of Central Bank of  
Ireland



**Glenn Tasky**  
ASB Adjunct  
Senior Lecturer  
Former Director of Financial  
Stability, Supervision,  
and Payments,  
The SEACEN Centre



## 04. Advisory Board

### Stewarded by Former Central Bank Governors

The MCB program is overseen by an Advisory Board including nine former central bank governors from four continents.



We believe that the ASB's Master in Central Banking, in collaboration with MIT Sloan School, will support the advancement of talent development for central banking around the world. In a rapidly changing and highly challenging environment, the demands on central banks are immense. Central bankers therefore need the capabilities to deliver the best possible policies and outcomes. Our program aims to contribute to building such capabilities.

**Dr. Zeti Aziz**

Founding Chair, Asia School of Business  
Co-Chair, Board of Governors  
Former Governor, Bank Negara Malaysia



Our understanding of how to extract maximal information from financial markets has increased dramatically, and having the analytical tools to make proper use of such information is critical for modern central banks. ASB's program in Central Banking will provide the necessary tools and knowledge to support this strengthening of central banking capability.

**Robert C. Merton**

School of Management Distinguished Professor of Finance, MIT  
Nobel Memorial Prize in Economic Sciences  
Co-Chair, ASB Master in Central Banking Advisory Council







**Jacob Frenkel**  
Former Governor  
of Bank of Israel



**Jose de Gregorio**  
Former Governor  
of the Central Bank  
of Chile



**Patrick Honohan**  
Former Governor  
of Central Bank  
of Ireland



**Athanasios Orphanides**  
Former Governor of  
Central Bank  
of Cyprus



**Martin Redrado**  
Former Governor  
of Central Bank  
of Argentina



**Glenn Stevens**  
Former Governor  
of Reserve Bank  
of Australia



**Amando Tetangco**  
Former Governor  
of Bangko Sentral  
ng Pilipinas



**Stefan Ingves**  
Former Governor  
of the Riksbank







# 05.

## Curriculum

Create Faster Impact,  
Build Stronger Networks



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The Master in Central Banking is an intense program but the people behind it – the excellent pool of professors and great MCB Program support team – make this learning journey truly worthwhile. The prime education and the unique learning experience I gain from being a part of this class will give me the edge to become a truly world-class central banker and a transformative leader.

**Arlene Aguinaldo,**  
Philippines, MCB Class of 2022



The MCB curriculum revolves around the following six pillars and a Master's thesis

*\*Course offerings are subject to change*

<b>SYSTEMS THINKING AND INNOVATION</b>	<ul style="list-style-type: none"><li>• Challenges of Central Banks</li><li>• Pro-seminar</li><li>• Crisis Prevention and Management</li></ul>
<b>MACROECONOMIC STABILITY</b>	<ul style="list-style-type: none"><li>• Macroeconomic Foundations</li><li>• Applied Macroeconomics</li><li>• Monetary Policy I</li><li>• Monetary Policy II</li><li>• Current Topics in Macro and Monetary Policy</li></ul>
<b>FINANCE</b>	<ul style="list-style-type: none"><li>• Financial Market and Asset pricing</li><li>• International Finance</li><li>• Behavioral Economics and Finance for Central Banking</li><li>• Financial Market Development</li><li>• Financial Economics for Public Policy</li><li>• Islamic Finance for Regulators</li><li>• Financial Crimes</li></ul>
<b>FINANCIAL STABILITY</b>	<ul style="list-style-type: none"><li>• Accounting for Banks</li><li>• Financial Supervision</li><li>• Macroprudential Policies and Stress Testing</li><li>• Financial Regulation</li><li>• Innovation in Financial Institutions</li><li>• Advance Topics in Financial Stability</li></ul>
<b>DATA AND DIGITAL TECHNOLOGY</b>	<ul style="list-style-type: none"><li>• Research Methods 1: Data Analysis and Visualisation</li><li>• Research Methods 2: Applied Economic Analysis and Forecasting</li><li>• Research Methods 3: Causal Inference for Policy</li><li>• Payment Systems and Digital Currencies</li></ul>
<b>GOVERNANCE, LEADERSHIP AND MANAGEMENT</b>	<ul style="list-style-type: none"><li>• Building Successful Careers and Organizations</li><li>• Ethics</li><li>• Central Bank Governance and Political Economy</li><li>• Central Banking Communications</li><li>• Negotiation</li><li>• Current Topics in Finance and Policy</li></ul>
<b>MASTER'S THESIS</b>	<ul style="list-style-type: none"><li>• Capstone Project - Central Banking Master's Thesis</li></ul>

# MCB Full-Time 12-Month Curriculum\*

ORIENTATION	TRIMESTER 1	
1 Week (End of Aug)	(Sep - Dec)	
Welcome & Intro to ASB	Challenges of Central Banks	Accounting for Banks
Curriculum Overview	Pro-Seminar	Financial Supervision
Culture of Respect	Macroeconomic Foundations	Data Analysis & Visualization
Building Central Bankers of Tomorrow	Applied Macroeconomics	Applied Economics Analysis & Forecasting
MCB Learning Journey	Monetary Policy I	Payment System & Digital Currencies
Teambuilding	Financial Markets & Asset Pricing	Ethics
	Financial Market Development	



## DISCIPLINES

Systems Thinking & Innovation

Macroeconomic Stability

Financial & Risk Management

\*The courses and schedule presented may be subject to change.



## TRIMESTER 2

(Jan - April)

Pro-Seminar

Monetary Policy II

Microprudential  
Policy & Stress Testing

### Electives

- Islamic Finance for Regulators
- Financial Crimes
- Causal Inference for Policy

@ MIT

- Financial Economics for Public Policy
- Current Topics in Finance & Policy
  - International Finance
- Innovation in Financial Institutions
  - Negotiations

## TRIMESTER 3

(May - Aug)

Pro-Seminar

Crisis Prevention  
& Management

Financial Regulations

Political Economy  
of Central Banks

Central Bank Governance  
& Communications

### Electives

- Current Topics in Macro & Monetary Policy
- Strategy & Organizations
- Behavioral Economics & Finance for Central Banking
- Advance Topics in Financial Stability

## CAPSTONE PROJECT

Markets  
Management

Financial  
Stability

Data & Digital  
Technology

Governance, Leadership  
& Management

# 06.

## Academic Calendar

The MCB program features a core curriculum taught by MIT Sloan and ASB faculty, complemented by visits to financial institutions in the US. The curriculum includes a six-week immersion program at the MIT Sloan campus in Cambridge, Massachusetts.

**The next intake is September 2025.**



MCB Class of 2023 Students Capstone Presentation in Pulau Langkawi

### Term 02 January - April, 2026

MIT & ASB classes  
in Kuala Lumpur

1 week break

MIT Immersion (6 weeks)  
+ US Trek (Washington & NYC)

1 week break

### Term 03 May - August, 2026

MIT & ASB classes  
in Kuala Lumpur

Graduation

### Term 01 September - December, 2025

MIT & ASB classes  
in Kuala Lumpur

1 week break

MIT & ASB classes  
in Kuala Lumpur

2 weeks break







MIT Immersion Welcome Reception – Master in Central Banking Class of 2022

## KEY DATES

September 2024	Application Opens*
End of August 2025	Residences open for arrival One week orientation begins
September 2025	First term begins
February - April 2026**	MIT Sloan Immersion (Cambridge, MA, USA)
August 2026	Final term ends. Graduation date to be confirmed

*Note: Academic calendar is subject to change.*

\*Assessment of completed applications is made on a continuous basis.

\*\*Tentative date.



MIT Immersion - Master in Central Banking, Class of 2023





## 07. Program Fees

The program fee is **RM 335,000** approx. USD 76,000

*\* the USD equivalent may fluctuate subject to prevailing exchange rate*

Full regular fees for the 12-month MCB program starting in the 2025-2026 academic year include:

- Tuition Fees
- MIT Immersion
- Accommodation in Kuala Lumpur and during the MIT Immersion Program in the USA
- Program related travel expenses
- Visas
- Insurance
- School supplies

The program fees do not include transportation costs for arrival at Kuala Lumpur to begin the program and return to home country at the end of the program as well as food, and personal expenses.

To apply, visit: <https://apply.asb.edu.my/apply/>



Asia School of Business Residence Building

# 08.

## Admission Criteria

### Academic Requirement & English Proficiency

- i. A Bachelor's Degree in the fields or related fields with a minimum CGPA of 2.50 or equivalent as accepted by the ASB Senate; **or**
- ii. A Bachelor's Degree in the fields or related fields or equivalent with a minimum CGPA of 2.00 and not meeting a CGPA of 2.50 can be accepted, subject to rigorous internal assessment.
- iii. Candidates without a qualification in the related fields or working experience in the relevant fields must undergo appropriate prerequisite courses determined by ASB and meet the minimum CGPA based on (i) to (ii). A letter from the Central Bank on applicant's working experience is required as a supporting document.
- iv. To provide proof of English proficiency by providing either of the following documents:
  - Supporting letter from your university confirming English as the medium of instruction for the undergraduate degree if your degree is not from the following countries:
    - UK
    - USA
    - Australia
    - New Zealand; **or**
  - IELTS Academic (Overall band 6.0)\*; **or**
  - TOEFL (Internet-based 60, Essentials (Online) 8.5) \*; **or**
  - Cambridge English Advanced/Proficiency (169)\* ; **or**
  - Pearson Test of English (PTE) Academic (59)\* ; **or**
  - Malaysian University English Test (MUET) (Band 4)

*\*Note: We will only accept English language proficiency test scores taken within two years of the start date of the intake you are applying for. Therefore, for applicants planning to enter the MCB program in 2025, we only accept the above English language proficiency test scores taken after August 1, 2023.*



Class at MIT with Robert C. Merton, School of Management Distinguished Professor of Finance, MIT Nobel Memorial Prize in Economic Sciences Co-Chair, ASB Master in Central Banking Advisory Council

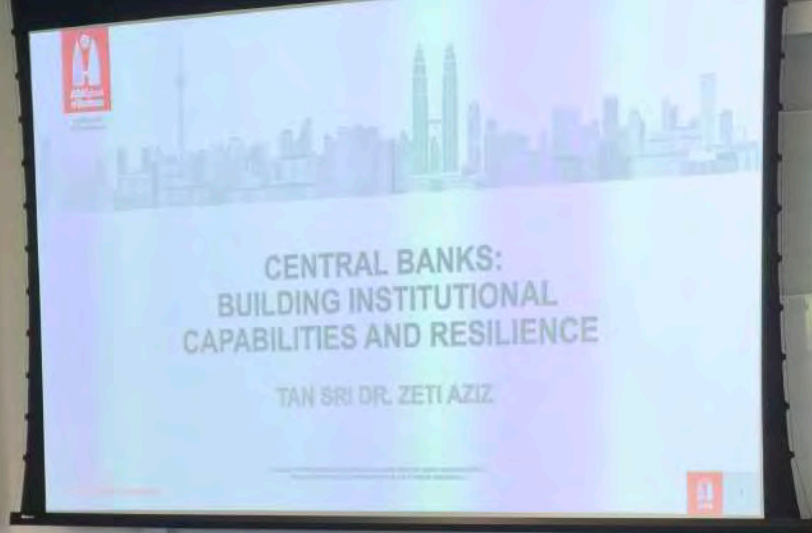


MCB Students with Dr. Zeti Aziz, former Governor Bank Negara Malaysia



Ask the Governor session with D Subbarao, former Reserve Bank of India Governor





# CENTRAL BANKS: BUILDING INSTITUTIONAL CAPABILITIES AND RESILIENCE

TAN SRI DR. ZETI AZIZ



## CENTRAL BANKS: BUILDING INSTITUTIONAL CAPABILITIES AND RESILIENCE

TAN SRI DR. ZETI AZIZ



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# 09.

## Key Takeaways

- Develop an integrated understanding of central bank mandates, and specialised concepts, theories and methods related to central banking.
- Analyze complex problems, logically and critically, in the changing central banking environment
- Apply creative thinking, and problem-solving skills to the challenges faced by central banks
- Adapt social and communicative approaches to work effectively, in multi-disciplinary and multi-cultural teams.
- Explain complex ideas, problems, solutions and decisions, clearly, in written and verbal form, to internal and external stakeholders.
- Assess how data and digital technologies can both aid and challenge central banks in achieving their mandates.
- Evaluate how data, metrics and statistical approaches, can be used to inform on the challenges facing central banks.
- Promote collaborative relationships to resolve multi-faceted issues, within central banks and with government and private sector stakeholders.
- Display autonomy and independence in setting and implementing individual goals and self-development, for lifelong learning.
- Display an ability to look forward, to assess risks, and to consider alternative approaches to inform decisions on complex policy and regulatory issues.
- Identify ethical, social and cultural issues in addressing complex issues facing central banks.







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# 10.

## Course Overview

### SYSTEMS THINKING AND INNOVATION

- Challenges of Central Banks
- Proseminar
- Crisis Prevention and Management

#### CHALLENGES OF CENTRAL BANKS

##### *Core, 1.5 credit*

This course exposes students to current challenges faced by central banks and introduces them to ‘systems thinking’, by encouraging them to approach these challenges from different perspectives. Challenges presented include the conduct of monetary policy with imperfect models, the supervision of banks in a fast-changing world of digital technology, the role of the central bank in a payments system of digital currencies, and the need to build resilience in a financial system subject to contagion risk.

#### PRO-SEMINAR

##### *Core, 2 credits*

This year-long seminar series provides a framework for ‘systems thinking’ and applies it to a wide range of issues faced by central banks. The course relies heavily on discussions of historical experience and current newsworthy economic events, led by faculty members and lectures by guest speakers from central banks and academia. It fosters thinking across multiple disciplines, while applying the analytical tools taught in the program.

#### CRISIS PREVENTION AND MANAGEMENT

##### *Core, 2 credits*

This course examines economic and financial crises through a ‘systems-thinking’ lens. It focuses on the role of the central bank in enhancing resilience to prevent crises, and the decisions and trade-offs associated with the management of crises, when they happen. We study the main sources of imbalances that may lead to a crisis—fiscal, competitiveness and banking excesses, indicators of vulnerability and early warning systems, and the central bank’s toolbox for crisis management. The course draws on case studies, across different economies, regions, and periods, ranging from the Asian crisis of the late 1990s, to the global financial crisis of the late 2000s and the more recent Covid-19 pandemic.



“The Pro-seminar sessions weaved in throughout the 12-month curriculum were one of the MCB program’s most distinctive features. Learning directly from former central bank governors and gaining first-hand insights into their real-world crisis management experiences has provided me with priceless perspectives.”

**Hamsa Tarek Fadel**  
Egypt, MCB Class of 2023



## MACROECONOMICS STABILITY

- Macroeconomic Foundations
- Applied Macroeconomics
- Monetary Policy I
- Monetary Policy II
- Current Topics in Macro and Monetary Policy

### MACROECONOMICS FOUNDATIONS

#### **Core, 1 credit**

This course introduces key frameworks used to understand macroeconomic developments, within countries and across borders. In-class sessions provide opportunities to employ such frameworks and debate media reports about macroeconomic issues and developments.

### APPLIED MACROECONOMICS

#### **Core, 1 credit**

This course explores the economic principles behind good macroeconomic management, and emphasizes the constraints that politics and social aspirations impose on macroeconomic policies. This course explores three areas of macro and development economics (i) short run macroeconomic models, (ii) growth and income distribution problems, and (iii) the role of new technologies, cryptocurrencies and artificial intelligence in the macroeconomy.

### MONETARY POLICY I

#### **Core, 1.5 credits**

This course discusses the objectives, strategies, transmission mechanisms, and effects of monetary policies, as practiced in advanced as well as emerging economies. It starts by tracing the evolution of these practices from the mid-twentieth century to today, and in doing so, develops understanding of the current 'best practice' in monetary policy. This best practice is being challenged by current high inflation and slowing economic activity, and the course examines the nature of these challenges.

### MONETARY POLICY II

#### **Core, 1.5 credits**

This course covers advanced theoretical and practical issues of monetary policy. It reviews the analytical tools employed to prepare monetary policy meetings, the decision-making process and the communication of monetary policy decisions. Drawing on case studies of central bank practice, it examines the preparation of projections and policy alternatives, risk analysis and robustness considerations. As part of the course, students monitor, discuss and evaluate current monetary policy decisions of at least two central banks

### CURRENT TOPICS IN MACRO AND MONETARY POLICY

#### **Elective, 1 credit**

This elective explores topics of current interest or debate in macroeconomics and central banking. Topics are chosen to reflect current developments and student interests. Past topics include labour markets, commodity prices, unconventional monetary policy, synthetic local currency debt, international dimensions of central banking, the zero lower bound, financial globalisation and recent advances in exchange rate economics.



The Master in Central Banking program is truly a one-of-a-kind learning experience. Notably, the program's adaptability to real-time issues and evolving academic insights showcases its dynamic nature.

**Fatima Khaliq,**  
Pakistan, MCB Class of 2023

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## FINANCE

- Financial Market and Asset pricing
- International Finance
- Behavioral Economics and Finance for Central Banking
- Financial Market Development
- Financial Economics for Public Policy
- Islamic Finance for Regulators
- Financial Crimes

### FINANCIAL MARKETS AND ASSET PRICING

#### *Core, 3 credits*

This course studies how financial markets allocate resources across time, choose projects to finance, and price assets to reflect risk and return. In performing their role, financial markets, among other mechanisms, influence how the central bank's monetary policies affect macroeconomic decisions, growth, and welfare. We delve into how central bankers can extract information revealed by asset prices, in conducting monetary policy, and gain a better ability to evaluate market reactions to monetary policy.

### INTERNATIONAL FINANCE

#### *Core, 1.5 credits*

Through a series of lectures, case discussions, and exercises, this course explores the links between monetary policy, interest rates, and exchange rates. The course provides a framework for understanding and assessing the financial risks and opportunities of international trade, international financing, and international investments, with a particular attention to exchange rate risk.

### BEHAVIORAL ECONOMICS AND FINANCE FOR CENTRAL BANKING

#### *Elective, 1 credit*

This course examines how psychological traits influence financial decision-making, investment behavior, and market outcomes. It explores the impact of rational and less rational participants on markets, offering insights into market anomalies and strategies to improve financial decisions. Students will connect theory to practice, gaining tools to evaluate and address behavioral factors in central banking.

### ISLAMIC FINANCE FOR REGULATORS

#### *Elective, 1 credit*

An increasing number of central bankers, bank examiners and finance regulators are operating in financial systems that include Islamic finance products. The course provides a strong overview of the Islamic finance market, its foundational rules based on Shari'ah (Islamic law), the variations in risk exposure and the unique component of Shari'ah governance. The course introduces the Islamic capital market and its liquidity function to support robust Islamic finance ecosystem. We explore conceptual theory and practical issues. The course focuses on the unique characteristics of Islamic finance in regulation, led by seasoned academics and practitioners in the field.

### FINANCIAL ECONOMICS FOR PUBLIC POLICY

#### *Elective, 1 credit*

Governments, through their fiscal and monetary policies, play a central role in the allocation of capital and risk in economies around the world; they are the world's largest financial institutions. Along with making real investments, governments engage in a wide range of financial activities, such as providing credit to businesses and households, and explicitly or implicitly guaranteeing financial institutions, pension benefits and other contingent liabilities. Those activities have a profound influence on social welfare. The goal of this course is to provide you with an understanding of why and how financial economics is relevant to public sector financial decisions, and with a skill set to apply to problems that you may encounter as analysts, public managers and policymakers.



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## FINANCIAL MARKET DEVELOPMENT

### *Core, 1 credit*

This course examines the role of financial markets in achieving central banking objectives, including price stability and financial system soundness. It explores the development of various financial markets, including money, capital, and insurance markets, with a focus on emerging economies. Through case studies and quantitative analysis, we will assess the impact of financial market policies and develop strategies to promote economic growth and stability. The course emphasizes practical skills in policy evaluation and real-world data compilation.

## FINANCIAL CRIMES

### *Elective, 1 credit*

This course provides an overview of financial crimes such as money laundering, fraud, tax evasion, and corruption, focusing on their impact on financial institutions. Students will explore tools and processes banks use to detect and prevent misconduct, supported by real-world case studies and international initiatives. Guest speakers will enrich the discussion, offering practical insights into combating financial crime.

## FINANCIAL STABILITY

- Accounting for Banks
- Financial Supervision
- Macroprudential Policies and Stress Testing
- Financial Regulation
- Innovation in Financial Institutions
- Advance Topics in Financial Stability

## ACCOUNTING FOR BANKS

### *Core, 1.5 credits*

This course provides an intensive introduction to the preparation and interpretation of financial information. It adopts a decision-maker perspective of accounting by emphasizing the relation between accounting data and the underlying economic events generating them.

## INNOVATION IN FINANCIAL INSTITUTIONS

### *Core, 1.5 credits*

This course explores the principles and real-world dynamics of financial innovation, focusing on the creation and regulation of new financial products, services, and markets. Through case studies, students will examine innovations in credit markets, wealth management, real estate, and the cryptoeconomy, including blockchain applications and asset tokenization. The course also addresses the regulatory challenges of financial innovation, equipping students to analyze and propose solutions for emerging trends in financial institutions.

## FINANCIAL SUPERVISION

### *Core, 1.5 credit*

This course gives students a practical grounding in the objectives and tools of financial sector supervision, focusing primarily on banking supervision. Through presentations, discussions, case studies, and group work, the course emphasizes the importance of supervisory judgment in evaluating the condition and performance of a bank and the need for supervisory action, and stresses that a bank can be in danger of failing, even if it meets all regulatory requirements. As illustrated with practical examples, banking supervision sometimes falls short of achieving its objectives or fully utilizing its tools, with important consequences for the solvency and liquidity of individual banks and/ or overall financial stability. Important elements of the Basel II/III standards are covered, with an emphasis on Pillar 2 as a culmination of supervisory review and judgment.

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## FINANCIAL REGULATION

### *Core, 1.5 credits*

The course explores what problems financial regulation is intended to resolve. It considers how, despite deep capital markets and substantial financial regulation in the United States, global markets nearly collapsed during the Great Financial Crisis of 2007-2008. In particular we focus on the fragility of highly regulated bank and non-bank financial intermediaries. We investigate the near collapse of credit markets during the 2020 pandemic, the failure of Silicon Valley Bank and consider the mostly unregulated or lightly regulated digital markets. Finally, we discuss potential financial regulations related to climate change, digital currencies, and stable coins.

## MACROPRUDENTIAL POLICIES AND STRESS TESTING

### *Core, 1 credit*

This course steps beyond the individual institution, to understand the dynamics of the financial system, as a whole, the causes of systemic financial instability, and the efforts of regulators to curtail credit booms and/or to mitigate their consequences. It compares the varied experiences of different countries in the design and implementation of macroprudential policy, and discusses the effectiveness of the macroprudential measures that have been applied. Approaches to stress testing financial institutions and the financial system are compared, and linked to the underlying amplification dynamics inherent in systemic risk.

## ADVANCED TOPICS IN FINANCIAL STABILITY

### *Elective, 1 credit*

Central banks play a critical role in coordinating with financial regulators and leading the implementation of tools that enhance financial stability and allocative efficiency. This course is designed for financial supervisors and prospective central bankers, focusing on advanced and practical approaches to regulatory supervision using quantitative methods to assess financial stability and evaluate the effectiveness of financial regulations. While the course materials emphasize stress testing, the content is not limited to this area. Topics include scenario building for stress testing, financial forecasting for the banking sector, estimating bond yield curves to measure mark-to-market risks, network analysis, and the use of micro-level big data for credit risk management in financial markets.

## DATA AND DIGITAL TECHNOLOGY

- Research Methods 1: Data Analysis and Visualisation
- Research Methods 2: Applied Economic Analysis and Forecasting
- Research Methods 3: Causal Inference for Policy
- Payment Systems and Digital Currencies

## PAYMENT SYSTEMS AND DIGITAL CURRENCIES

### *Core, 1 credit*

This course is about money and how money moves. The first half provides organising frameworks and covers payments systems structure and functioning, the roles of central banks in regulating, supervising, enabling and sometimes operating these systems, and how payments systems are evolving and being disrupted. The second half explores how distributed ledger technology is changing the payments landscape, with a focus on stablecoins and central bank digital currencies, and the regulatory challenges that come with these new forms of payment systems. Themes include, risk and mitigation, inter-relationships of payments systems with monetary policy, financial inclusion, financial stability; and anti-money-laundering requirements.



The opportunity provided by participating in the Masters in Central Banking program will significantly enrich my current career projections. It enhances my skill set allowing me to contribute decisively to the regulatory and supervisory framework and in turn towards the country's overall financial health and development. This program offers a holistic approach towards deeper understanding of the essential functions and strategic roles within central banking, thus establishing a crucial educational benchmark for aspiring central bankers.

**Maizatul Najibah Mohamad**  
Brunei Darussalam, MCB Class of 2024



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## RESEARCH METHODS 1: DATA ANALYSIS AND VISUALISATION

### **Core, 1 credit**

This course explores the importance of quantitative data analysis for central banks, in various functions, including economic forecasting, financial stability assessment, and international capital flow analysis. It emphasizes the need for central bankers not only to understand quantitative analysis techniques, but also to translate economic questions into testable hypotheses and to interpret econometric results. The course incorporates data visualization techniques using the open-source statistical software R/R Studio. It aims to equip participants with the skills and knowledge needed to engage in empirical research effectively. The course sets the stage for the next two Research Methods courses.

## RESEARCH METHODS 2: APPLIED ECONOMIC ANALYSIS AND FORECASTING

### **Core, 1 credit**

This course extends from single equation to multivariate regression models including binary regressions, panel data models and forecasting techniques such as ARMA and VAR models. This is a hands-on course, with strong emphasis on applications. We utilize the open-source software R/R Studio. By the end of the course, you will be familiar with traditional and new sources of economic and financial data and master techniques necessary to become an author as well as sophisticated consumer of quantitative analysis.

## RESEARCH METHODS 3: CAUSAL INFERENCE FOR POLICY

### **Elective, 1 credit**

Central banks and policy institutions are interested in questions that are causal by nature: What are the effects of oil prices on the economy? What happens to credit growth when a Loan-to-Value restriction is imposed? What happens to the local currency exchange rate when the central bank increases the interest rate? These are all causal questions and the models used to forecast are typically not the models to answer these causal questions. In this course, we cover several techniques/research designs that help us to answer causal questions, such as randomised central trials (RCTs), Instrumental Variables, Difference-in-Differences and Regression Discontinuity and time-series approaches to causal analysis by means of dynamic models such as structural vectorautoregressions and local projections, to understand the effects of macroeconomic shocks.

## **GOVERNANCE, LEADERSHIP AND MANAGEMENT**

- Building Successful Careers and Organizations
- Ethics
- Central Bank Governance and Political Economy
- Central Banking Communications
- Negotiation
- Current Topics in Finance and Policy

## BUILDING SUCCESSFUL CAREERS AND ORGANIZATIONS

### **Elective, 2 credits**

This course equips students with tools to identify their strengths and align them with career goals, fostering personal and professional growth. It covers strategies for self-assessment, effective job searching, and career planning. The course emphasizes the connection between building a successful career and managing high-performing teams and organizations. Students will explore challenges faced by professionals and learn research-backed strategies for achieving long-term success in careers and organizational leadership.

## ETHICS

### **Core, 1 credit**

Managers in central banks are often faced with multiple dilemmas and may have to make gray-area decisions, during their careers. This course uses the triple-lens framework – wherein you are encouraged to consider the economic, legal, and ethical ramifications of your decisions – and to think through ways in which you might live your own personal values, as central bank managers. The course addresses several dilemmas and classical approaches to thinking about ethical problems.

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## CENTRAL BANK GOVERNANCE AND POLITICAL ECONOMY

### *Core, 2 credits*

This course explores the governance frameworks of central banks, addressing internal organization, decision-making structures, accountability, and resource management. It examines international best practices to enhance transparency and oversight. From a political economy perspective, students analyze central banking through the lens of exchange rate policy, monetary regulation, and international coordination. The course emphasizes the trade-offs and distributional impacts of policy decisions, integrating economic and political dynamics.

## NEGOTIATION

### *Core, 1.5 credits*

This course introduces and explores advanced negotiation and leadership strategies, emphasizing an introspective and experiential skill-building approach, underpinned by cutting-edge research. Applications in cross-cultural management, organizational innovation, social engineering, and international diplomacy are examined. The focus is on strengthening our decision-making and communication, by thoroughly assessing our standards, in order to tackle conflicts proactively, create thoughtful agreements, foster resilient reconciliations, and ensure lasting impacts across communities. The activities are interconnected, building upon each other, with unfolding deep-dives in corresponding sessions.

## CURRENT TOPICS IN FINANCE AND POLICY

### *Core, 1.5 credits*

This course offers a dynamic exploration of emerging issues in finance and policy, with short modules led by MIT faculty that reflect the latest developments each year. Topics have included financial innovation, SEC regulation, cryptocurrency economics, and international tax policy. Students will gain insights into contemporary financial markets and develop skills in data interpretation and analysis relevant to central banking.

## CENTRAL BANKING COMMUNICATIONS

### *Core, 1 credit*

This intensive 3-day course highlights the critical role of effective communication in central banking, equipping participants with tools to craft and execute tailored communication strategies. The course integrates theory with practical applications, covering audience-specific messaging, media engagement, and visually appealing content. Participants will explore the “Commandments of Communications” and the pivotal role of public trust in policy effectiveness, learning to navigate diverse audience needs in a rapidly evolving communication landscape.

## MASTER’S THESIS

## CAPSTONE PROJECT - CENTRAL BANKING MASTER’S THESIS

### *Core, 6 credits*

To complete the program, students write a research paper. This involves developing and working on a research topic on individually, with the supervision of one or more faculty members. The topic can be related to what was discussed over the course of the program or can draw from issues not covered during the program, but related to central banking. The research paper can be theoretical, empirical, or narrative, in nature.





ASB Residence Building





ASB Academic Building



## BUILDING GLOBAL LEADERS OF TOMORROW

**Asia School of Business** was established, as a collaboration between MIT Sloan and Bank Negara Malaysia, to be a premier business school that develops transformative and principled leaders who will contribute to a better future.

Asia School of Business brings the rigor of an MIT education to the richness and complexity of global challenges, with an Asian perspective.

The Asia School of Business has dedicated state-of-the-art academic and residential facilities located within Bank Negara's larger Financial Education Campus, which includes the Global Knowledge Research Hub of the World Bank and numerous other institutions such as the Alliance for Financial Inclusion, the Southeast Asian Central Banks (SEACEN) Research and Training Centre and others.

To learn more about Asia School of Business' Master in Central Banking, please contact [mcbadmin@asb.edu.my](mailto:mcbadmin@asb.edu.my)

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### **Asia School of Business (ASB)**

Ministry of Higher Education, Malaysia Registration: DU046(W)  
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Master in Central Banking ((N/0311/7/0002)(04/25)(MQA/FA13101))

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