



Contents

1. Explain to Customers the Function and Role of the Reserve Bank of Australia (RBA)	5
1.1 Explain to the Customer the Role of the Reserve Bank of Australia (RBA)	5
1.2 Explain to the Customer Differences Between RBA and Other Banking Institutions	10
1.3 Explain to the Customer the Effects of RBA's Monetary Policy on the Australian Economy and Customer Personal Finances	13
1.4 Explain to the Customer the Role of the RBA in Maintaining Financial Stability and Regulating the Australian Payments System	17
2. Outline to Customers the Role of Money and Australia's Monetary Base	23
2.1 Society's Motivations for Holding Money and the Functions of Money	23
2.2 Impact of Changes in the Supply of Money	24
3. Outline the Main Features of Australian Financial Markets	29
3.1 The Purpose of Australia's Major Financial Markets	30
3.2 The Role of Banks and Financial Institutions as Financial Intermediaries	36
3.3 The Role and Function of the Short-Term Money Market	43
4. Inform the Customer About Regulation of the Financial System	49
4.1 The Role of Independent Regulation in the Financial System and the Main Regulators	49
4.2 Examples of Consumer Protection Offered by Financial Regulators	54
Glossary	61