

ABSTRACT

Relations of Central bank to Commercial banks

The purpose of my thesis is to analyse relations among central bank and commercial banks in current view with emphasising on situation in the Czech Republic. This analysis is a critical appraisal of issues in relation to current legislation, and last but not least also the planned changes, which are currently under discussion.

The thesis is divided into five chapters with introduction and abstract.

Chapter One is introductory and defines basic terminology used in the thesis like banking system, central bank and commercial banks. This chapter is subdivided into four parts. Part One describes central bank and banking system. Part Two describes central bank, its position, activity and tools. Part Third is focused on commercial banks. Final part deals with trends in the development of the banking sector.

Chapter Two characterises subjects of banking system in the Czech Republic and is divided into two parts. Part One outlines organizational structure of the CNB and its main functions. Part Two outlines organizational structure of commercial banks in the Czech Republic.

Chapter Three concentrates on banking regulation and supervision and its division. Part One analyzes arguments for and against bank regulation. Part Two is focused on banking regulation and supervision in the Czech Republic. Part Three looks at adjustment of capital adequacy rules under the international accords Basel I and II. Part Four summarizes banking regulation and supervision in the Czech Republic.

Chapter Four is subdivided into three parts and provides an outline of the central bank relation to commercial banks as bank banks.

Chapter Five is about European Union and Euro area. It consists of two parts. Part One defines European Central Bank and European System of Central Banks and defines supervision of European Central Bank. Part Two describes new bill of Czech national bank.

Conclusions are summarized at the end of the thesis.