

## Why do banks need money?

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This is the third in my series of videos on money, banks and all things to do with them. I have explained [that money is just a promise to pay](#), and also explained [how banks create money](#) when you make a promise to pay them. But in that case why do they need to hold your cash when they don't lend it out? In this video I explain why

<https://youtu.be/fiAyiSNy13A>