

Asian Institute of Technology
School of Management
Professional Masters in Banking and Finance (PMBF)
Banking

Course Objective:

Banking as a business has evolved from its traditional roots of accepting deposits and making loans to encompass a variety of financial products and services. Professionals seeking to build a career in banking need to understand the business models and synergies underlying the portfolio of products and services that a modern bank typically handles.

Learning Outcomes:

It is expected that this course will enable students to (during and at the end of this course):

1. Develop a good understanding of the financial services sector, the banking business, and financial products and services
2. Understand the trade security market, financial statements analysis of banks and customers, regulatory development, trends and dynamics
3. Understand the new product developments, asset-liability and liquidity management, and the risks at the industry and firm levels, potential negative impacts associated with the financial markets, and risk mitigation techniques
4. Understand the role of IT and its application to enhance banking operations and to reduce operational risks
5. Able to apply appropriate strategies and techniques to market, operate and manage a banking business, and derive effective management decisions.

Pre-requisite(s): None

Course Outline:

- I. Corporate Banking
 1. Debt Products
 2. Trade Products - Overview
 3. Liability Products
 4. Letter of Credit
 5. Transaction Banking
 6. Bank Guarantees
 7. Cash Management Services
 8. Pricing of Banking products

- II. Financial Planning and Wealth Management
 1. Treasury Products
 2. Project Finance and Debt syndication

- III. Investment Banking
 1. Securitization and Distressed Debt
 2. Segmentation and Prospecting



- IV. Funds Management
 - 1. Calculating NAV
 - 2. Open-ended and close-ended funds
 - 3. Entry and exit load in fund management
 - 4. Identification of sectors for fund management
 - 5. Analysis and sectors
 - 6. Entry and exit strategy

- V. Risk Management in Banking
 - 1. The risk management process – analysis and structuring
 - 2. Credit risk assessment
 - 3. Financial statement analysis

Learning Resources:

Textbook(s):

Peter S. Rose and Sylvia C. Hudgins:
Bank Management & Financial Services, Ninth Edition, McGraw-Hill International Edition, 2013.

Jeffrey Carmichael and Michael Pomerleano:
The Development and Regulation of Non-Bank Financial Institutions, the World Bank, 2012.

Reference Books:

S. Heffernan:

Modern banking, Hoboken, NJ, Wiley, 2005.

J.W. Kolari, B.E. Gup:

Commercial banking: The management of risk, Hoboken, NJ, Wiley, 2004

Journal and Magazines:

- Journal of Banking & Finance
- International Journal of Bank Marketing
- Journal of Risk Management for Financial Institutions
- The Banker
- Banking World
- The Economist
- Harvard Business Review

Presentations and Handouts

Teaching and Learning Methods: lectures, simulations, classroom exercises, and presentations, field visits, and home assignments.

Time Distribution and Study Load: Specify the number of hours for lectures, tutorials/exercises, laboratory, case study, fieldwork, home study, etc. For every one hour lecture, students are expected to spend at least three hours of self-study.

Lecture:	30 hours
Tutorials/Exercises:	35 hours
Case study:	15 hours
Home study:	100 hours

Evaluation Scheme:

The final grade will be computed from the following constituent parts:

Final exam:	40%
In-class Assignments and Presentation:	30%
Final Presentation:	30%

Open/closed-book examination is used for both mid-term and final exams.

Grading system

Grade	Definition	Grade Points
A	<i>Excellent.</i> Thorough knowledge and mastery of concepts and/or techniques together with a high degree of skill and/or great originality in satisfying the requirements of a piece of work or course.	4.00
B+	<i>Very Good.</i> Thorough knowledge and mastery of concepts and/or techniques together with a fairly high degree of skill in the use of those concepts and techniques in satisfying the requirements of a piece of work or course.	3.50
B	<i>Good.</i> Good level of knowledge or mastery of concepts and/or techniques with a considerable skill in using them in satisfying the requirements of a piece of work or course.	3.00
C+	<i>Near Competent.</i> Level of knowledge or mastery of concepts and/or techniques requires more efforts to satisfy the requirements of a piece of work or course.	2.50
C	<i>Deficient.</i> Level of knowledge or mastery of concepts and/or techniques requires intensive efforts to satisfy the requirements of a piece of work or course.	2.00
D	<i>Highly Deficient.</i> Knowledge or mastery of concepts and /or techniques and understanding of the subject matter unacceptably low.	1.00
F	<i>Failing.</i> Very poor with very limited knowledge or limited mastery and understanding of concepts and/or techniques; comprehension of the subject matter is very limited.	0
I	<i>Incomplete.</i> Course may be completed at a later time without prejudice	-

Instructor(s): Faculty/Visiting Faculty/Adjunct Faculty of School of Management