

Department: Business Administration		Program: MBA Finance	
Course Name	Commercial and Investment Banking	Course Code	FIN 645
Pre-requisite	Not Applicable	Credit Hours	3

Brief Description

- The course examines the key risks of financial institutions (market, credit, liquidity, pre-payment risks) and the importance of Asset-Liability management. Students will be exposed to key trends and changes that take place in the banking sector, and current problems confronting managers in banking, and become familiar with the various career opportunities in the industry. They will also learn about the special role of financial institutions in the market, and how it relates to the regulatory framework under which commercial and investment banks operate.

Course Objectives

After completion of this course the student will be able to:

- Discuss the basic problems of bank management.
- Access the effects of the techniques and the functions of commercial banks and thrift banking institutions.
- Discuss the evolution of banking and the organizational structure of banks.
- Analyze bank regulations and policies.
- Evaluate bank profitability and risk management.
- Discuss the types of financial crimes, such as money laundering, that can affect a financial institution.
- Examine the international bank environment, deposits, liquidity and capital.

Course Learning Outcomes

- Distinguish between concepts, principles, and theories of commercial and investment banking
- Apply the concepts, principles, and theories in different commercial and investment banking
- Demonstrate written communication skills
- Have oral communication skills
- Have skills of using computer applications in commercial and investment banking
- Have scientific research skills in the field of commercial and investment banking
- Have the skills of critical thinking and analysis in the fields of commercial and investment banking
- Have the skills in strategic thinking and finding solutions in commercial and investment banking
- Believe, and practice sustainability commercial and investment banking
- Have the skills of leadership, teamwork, and decision making in commercial and investment banking
- Have the ability to distinguish between ethical issues in commercial and investment banking
- Have the competence of social responsibility in the fields of commercial and investment banking
- Have the competence to deal with cultural diversity in commercial and investment banking

Course Topics

- Introduction to commercial banks
- The impact of government policy and regulation on the financial services industry
- Structure of banking and the financial services industry
- Establishing new banks, branches, ATMs, telephone services, and web sites
- The financial statements of banks and their principal competitors
- Measuring and evaluating the performance of banks and their principal competitors
- Risk management for changing interest rates: asset-liability management and duration techniques
- The investment function in financial-services management
- Managing non-deposit liabilities
- Money Creation
- Investment banking, insurance, and other sources of fee income
- The management of capital
- Lending policies and procedures
- Business loans and consumer loans
- Liquidity and reserves management

Text Book

- Rose, P.S. and Hudgins, S.C. (2012), Bank Management and Financial Services, McGraw-Hill Irwin, New York, NY.

Additional References

- None

Online Resources

- Bloomberg Terminal.
- <https://www.hup.harvard.edu/catalog.php?isbn=9780674154155>
- <https://www.economist.com/finance-and-economics/1998/12/03/commercial-propositions>
- <https://www.economist.com/finance-and-economics/2008/09/18/is-there-a-future>

Course Outline

Week	Hours	Topics	Remarks
1	3	The impact of government policy and regulation on the financial services industry	
2	3	The organization and structure of banking and the financial services industry	
3	3	Establishing new banks, branches, ATMs, telephone services, and web sites	
4	3	The financial statements of banks and their principal competitors	
5	3	Measuring and evaluating the performance of banks and their principal competitors	
6	3	Risk management for changing interest rates: asset-liability management and duration techniques	

7	3	The investment function in financial-services management	
8	3	Midterm Exam	
9	3	Managing non-deposit liabilities; Investment banking, insurance, and other sources of fee income; The management of capital	
10	3	Lending policies and procedures: managing credit risk	
11	3	Lending to business firms and pricing business loans	
12	3	Consumer loans, credit cards, and real estate lending	
13	3	Optional Bank Case Reports	
14	3	Liquidity and reserves management: strategies and policies	
15	3	Presentations	

Measurement and Assessment Tools														
Assessment Tools	Grades	Week	Knowledge	Skills						Values				
			Identify and apply	Written	Oral	Information Technology	Research	Critical thinking	Strategic thinking	Sustainability	Leadership	Ethics	Corporate Social responsibility	Cultural diversity
Midterm Exam	20	9	X											
Case Study	10	12		X				X	X	X	X	X	X	X
Project	20	15		X		X	X	X	X	X	X	X	X	X
Presentation	10	15			X	X								
Final Exam	40	TBD	X											
Total	100													

Approved by Department Chair	Date of Approval

Additional Information: Updated every Semester by Course Instructor	
Course Instructor	
Department	
Phone No.	
Extension No	
Email	