



SOUTH EAST UNIVERSITY

School of Business, BBA Program
Course Title: Principles of Banking

Course Code: FIN 2123	Semester: Spring, 2014	Section: D
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Instructor: Mohammad Kamrul Arefin (MLR)

Office:

Class Room: 614

Office Phone: 01833179916

Class Time: MW 10:00AM – 11:20 AM

Office hours: MW 1:00 PM-2:30PM

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COURSE DESCRIPTION & OBJECTIVES:

This course will introduce students to major issues of concern in the Banking Industry. It will help you dig deeply into this industry to master established principles of bank management and to confront head-on-the perplexing issues of risk, regulation, technology and competition that bankers see as their challenges for the future.

TEACHING APPROACH:

The class will meet for a total of 36 hours divided into 24 x 1.5 hours lectures. The classes will be conducted through lectures, and presentations. Students are required to take notes, answer questions, and participate actively in the class.

Students are strongly encouraged to communicate with the lecturer through email or phone and meet lecturer during office hour (outside office hour by prior appointment) for any questions they may have.

TEXT BOOK: Peter S. Rose (2007). *Commercial Bank Management*, 5th Edition, McGraw-Hill.

LECTURE OUTLINE:

Lecture	Topics
1 Chapter 1	An overview of Banks and their services
2 Chapter 2	The impact of government policy and regulation on banking.
3 Chapter 4	The financial statements of a bank
4 Chapter 4	The financial statements of a bank Quiz 1
5 Chapter 5	Measuring and evaluating bank performance
6 Chapter 6	Asset-Liability Management: Determining and measuring interest rates and controlling a bank's interest sensitivity gap.
7 Chapter 7	Asset-Liability Management: The concept of duration and managing a bank's duration gap Quiz 2
8 Chapter 7	Asset-Liability Management: The concept of duration and managing a bank's duration gap

9	Mid Term 1
10 Chapter 8	Using financial futures and options in bank asset-liability management.
11 Chapter 9	Using swaps and other asset-liability management techniques
12 Chap. 10	Off balance sheet financing in banking and credit derivatives
13 Chap 11	Managing the bank's investment portfolio and liquidity position: The investment function in banking.
14 Chap 12	Liquidity and reserve management strategies and policies Quiz 3
15 Chap 13	Managing bank' sources of fund: Managing and pricing deposit services
16	Mid Term 2
17 Chap 14	Bank trust services, non-deposit investment products, and the selling of information services.
18 Chap 15	Managing non-deposit liabilities and other sources of bank funds.
19 Chap 16	Management of a bank's equity capital position Quiz 4
20 Chap 17	Providing loans to businesses and consumers: Bank lending- policies and procedures.
21 Chap 18	Lending to business firms
22 Chap 18	Lending to business firms
23 Chap 24	International Banking service options Quiz 5
24 Chap 24	International banking service options
Final Exam TBA	

EXAMS:

There will a total 3 exams and the syllabus for final exam will be comprehensive.

COURSE GRADING COMPONENTS:

Component/Coverage	Weights (%)
Quiz	10
Mid Term 1	20
Mid Term 2	20
Final Exam	25
Group Report	20
Class Participation	5

Measuring and Evaluating Bank Performance (Group Report)

At the end of this course students are expected to submit an analytical report on a designated bank's performance analysis and 10% marks per day will be deducted for late submission of the project report. This will be a group project. This project helps students to implement their learning from this course and improve their report writing skills.

Grading Scheme:

According to South East University grading policy, the following is a suggested conversion scheme:

A+	A	A-	B+	B	B-	C+	C	D	F
80	75	70	65	60	55	50	45	40	<40

COURSE POLICY:

- It is important that you attend classes regularly. In-class participation is a key component of the course.
- Please bring scientific calculator with you in every classes.
- You will not be allowed to take any make-up exam unless you provide evidence of a valid reason. You are expected to inform the lecturer at least 12 hours prior the exam about your incapacity. The make-up diet of the exam will be harder than the regular exam and it will be comprehensive.
- Any type of plagiarism will result in F (Fail) grade in the course. Please do not use cell phones in the exam. If you get caught having cell phone switched on during exam then you will be convicted for plagiarism.
- Please turn off all cell phones before entering the class. If you are to take the call then leave the class silently without asking permission.
- The number of groups in the class may vary according to the total number of students.
- The instructor and university reserve the right to modify elements of the course during the term. It is the responsibility of the student to check their emails, university website and instructor' website regularly during the term to note any changes.

GOOD LUCK