DEPARTMENT OF INTERNATIONAL BUSINESS

COURSE NUMBER: IBUS 6302 (old 273) -10
     Monday 7:10-9:40 p.m.
SEMESTER: Fall 2011
     Classroom: Room 212
     1957 E Street

COURSE TITLE: International Banking (Course Number 93796)

COURSE DESCRIPTION: This course focuses on various institutional and management issues in international banking. It examines the current international banking and financial environment and its evolution during the past decades, banks’ global managerial and operational issues, and the regulatory problems confronting international banks as well as the recent banking and financial crises.

PROFESSOR: Professor Y. S. Park, DBA & PhD.
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OFFICE HOURS: Monday 4:30-6:30 p.m. and by appointment


ASSIGNMENTS: Prior to each class session, students are expected to complete the required readings for the assigned session as well as thorough preparation of any case to be discussed. Late submission of the term paper is subject to a penalty of ten percent of the paper's grade. Final exam questions are only from our class discussions, so every class session is very important.

METHOD FOR GRADING: Final exam (Monday, December 19) 60%
Term paper (due on Monday, December 12) 40%
<table>
<thead>
<tr>
<th>Class Session</th>
<th>Brief Description of Topic</th>
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| 1.            | **Introduction to Course Contents; Types of Banks**  
                Text, Chapter 1.  
| 2.            | **International Banking: Theory, Evolution, & Organizational Structure; International Banking Centers**  
                Text, Chapter 3.  
                Class handout. |
| 3.            | **Multilateral Development Banking and Current Issues in Development Finance; Evolution in LDC Banking System**  
                Text, Chapter 20.  
                Class distribution: “Supranational Ratings" *Standard & Poor's Credit Review* |
| 4.            | **Major Payments and Settlement Systems; The Euromarket Environment and Eurodollars; Various International Interest Rates**  
                Text, Chapters 9 & 10, and Chapter 11, Sections A & B. |
| 5.            | **International Banking Operations: Eurocredits and Eurobonds**  
                Text, Chapter 11, Sections C & D.  
                **Case Discussion:** "Continental vs. Saudi." |
| 6.            | **Securitization; Origins and Analysis of the 2008 Global Financial Crisis**  
                Text, Chapter 12.  
                “The Role of Financial Innovations in the Current Global Financial Crisis” |
| 7.            | **Other Banking Crises and Regulation of International Banking; Money** |
Laundering and Terrorism Financing.

Text, Chapter 22.

8. Off-Balance Sheet Activities of Banks
   Basel Guidelines for Risk-weighted Capital Ratios

Text, Chapter 7, Sections A & B.

9. Market Risk and Revised Basel Committee Guidelines; Basel II & III;
   Systemically Important Financial Institutions (SIFIs)

Text, Chapter 7, Sections C through I.
Class Handouts.

10. International Asset and Liability Management of Banks: Fed Funds,
    Repos, FRNs

Class Handouts.

11. Use of Financial Swaps for Bank Liability Management
    Assets Swaps, Commodity Swaps, Interest Swaps and Liability Swaps

Text, Chapter 15.
Class Handouts.

12. Introduction to International Project Financing: Off-
    balance Sheet Project Financing Techniques: BOT, BOO, etc.

Text, Chapter 17.

13. International Debt Problems and Debt Rescheduling; Debt Swaps; Brady
    Bonds; Bond for Bond Swaps

Text, Chapter 19.

14. Guest Speaker.