DEPARTMENT OF INTERNATIONAL BUSINESS

COURSE NUMBER: IBUS 6302-10 (CRN 33293)  
SEMESTER: Fall 2012
Wednesday 7:10-9:40 p.m.  
Classroom: Duques 152

COURSE TITLE: Seminar on International Banking (Course Number 33293)

COURSE DESCRIPTION: This course focuses on latest institutional and management issues facing international banking in the turbulent operating environment. It examines the current international banking and financial condition as well as its evolution in the past along with banks’ global managerial and operational issues. Special attention is paid to the regulatory and policy problems confronting international banks as well as the recent banking and financial crisis and its impact on international banking.

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OFFICE HOURS: Monday 2-3 p.m.; Wednesday 6-7 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.

METHOD FOR GRADING:  
Final exam (Saturday, December 15) 40%
Mid-term exam (October 3) 20%
Term paper (due on Monday, December 10) 40%
<table>
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<tr>
<th>Class Session</th>
<th>Brief Description of Topic</th>
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| 1.            | **Introduction to Course Contents: Types of Banks**  
Origins and Analysis of the 2008 Global Financial Crisis, Financial Innovations and Securitization  

“The Role of Financial Innovations in the Current Global Financial Crisis”  
Text, Chapter 14. |
| 2.            | **International Banking: Theory, Evolution, and Environment**  
The Eurodollar Market; Global Bond & Equity Markets  
Text, Chapters 1, 4 & 5. |
| 3.            | **Multilateral Development Banking and Current Issues in Development Finance; Evolution in LDC Banking System**  
World Bank, *Annual Report*  
Class distribution: "Supranational Ratings" *Standard & Poor's Credit Review* |
| 4.            | **International Banking Operations: Commercial, Investment and Retail; Eurocredits**  
Text, Chapters 2 & 11.  
**Case Discussion:** "Continental vs. Saudi." |
| 5.            | **Offshore Financial Centers and Money Laundering**  
“Developing an International Financial Center to Modernize the Korean Service Sector.”  
Class handouts. |
| 6.            | **Mid-term exam** |
7. **Shadow Banking System: Types and Implications**
   
   Text, Chapters 9 & 10.

8. **Banking Crises and Regulation of International Banking**
   
   Text, Chapters 12 & 13.

9. **Off-Balance Sheet Activities of Banks**
    **Basel Guidelines for Risk-weighted Capital Ratios**
   
   Text, Chapter 15.
   Class handouts.

10. **Market Risk and Revised Basel Committee Guidelines; Basel III**
    
    Class handouts.

11. **International Asset and Liability Management of Banks**
    
    Class Handouts.

12. **Use of Financial Swaps for Bank Liability Management**
    **Assets Swaps, Commodity Swaps, Interest Swaps and Liability Swaps**
   
   Text, Chapter 6.
   Class Handouts.

13. **Introduction to International Project Financing**
    
    Text, Chapter 3.

14. **International Debt Problems and Debt Rescheduling; Debt Swaps; Brady Bonds; Emerging Trends in Global Banking**
   
   Text, Chapters 16 & 17.
   Class handouts.