

**NATIONAL UNIVERSITY OF SINGAPORE  
SCHOOL OF BUSINESS**

**FIN3117 BANK MANAGEMENT (Modular Credits: 4)**

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**Session:** Semester II 2016/7

**Course Objectives:**

Banking is a part of financial services but as a business, it is not quite the same as running a bank. With the systematic development of a knowledge base, there is now a greater understanding of why banks exist and how they have to fight for the right to exist. There is also a realisation that the different economic value components of a bank can be substituted by niche financial services firms. Aside from the business aspect, regulatory, risk and capital management have attracted special attention as they have been in the past. This course aims to cover both the business and operational aspects of banking incorporating current industry conditions.

**Course Outline:**

<b><u>Week</u></b>	<b><u>Topic</u></b>	<b><u>Reading</u></b>
1	Organization and structure of banking and financial services industry	Chapter 3 pp 65-77
2	Financial statements of banks and their principal competitors	Chapter 5 pp 129-151
3	Measuring and evaluating performance of banks and their principal competitors	Chapter 6 pp 167-192
4	Lending to business firms and pricing business loans	Chapter 17 pp 551-585
5	Quiz 1 Consumer loans, credit cards, and real estate lending	Chapter 18 pp 593-607
6	Consumer loan pricing and effective interest rate	Slides
	Semester break	
7	Managing and pricing deposit services	Chapter 12 pp 397-411
8	Quiz 2 Risk management for changing interest rates	Chapter 7 pp 217-247
9	Management of capital	Chapter 15 pp 485-512
10	Project presentation	
11	Project presentation	
12	Quiz 3	

### **Recommended Reference:**

Bank Management and Financial Services, 9<sup>th</sup> ed, Rose and Hudgins, McGraw Hill, 2013

### **Weightage of Assessment:**

Quiz 1	:	15%
Quiz 2	:	20%
Quiz 3	:	30%
Term Paper	:	20%
Presentation	:	15%

### **Term Paper**

A term paper of no more than 20 double-spaced pages submitted by a group of 4 (residual group can be 3 or 5). The paper should choose and analyse a single bank publicly listed in any country that is likely to face distress or fail (but has not) given its balance sheet and income statement. The paper is evaluated on the depth and analysis on why bank may fail. A single copy is to be uploaded to the Workbin by 13 April 2017 5pm. No hardcopy is required.

### **Presentation**

Each group will make a presentation of no more than 30 minutes in an assigned slot. Presentation is assessed independently of the paper contents and will be based on articulation (individual) and flow (group). Both components are equally weighted.

### **Quizzes**

These comprise both multiple choice and essay questions homework and class assignments.