

European Banking

Course Outline
2020

Unit 1: Banking in Europe

Date	07.07.2020-10.07.2020
Class Hours	24 contact hours. Course will be taught in a block style.
Lecturer(s)	Prof. Dr. Dilek Bülbül Professor of Finance Faculty of Business and Law Frankfurt University of Applied Sciences
Course Description	This course covers the following topics: brief introduction to banking, the German banking system, European banking systems, bank business models, trends, and current issues in banking.
Learning Outcomes	The course provides students with an overview about the German and European banking sector, the corresponding institutional design, and provides a good understanding of different business models of banks.
Course Method	This course will be taught as a mixture of lectures, class discussions and presentations.
Course Materials	All course material will be provided free of charge – both online (e-learning platform) and as hard copy. <ol style="list-style-type: none"> 1. Casu, B., Girardone, C., Molyneux, P (2006), Introduction to Banking, Prentice Hall 2. Mishkin, F (2013), The Economics of Money, Banking and Financial Markets, Addison-Wesley, 10th Edition
Credits	Students will earn a total of 6 ECTS points for the successful completion of the module.
Assessment	Learning will be assessed following the end of the unit. Assessment may be in the form of class presentations, a written exam, case studies, or small group work. The lecturer will inform students about the assessment measures at the beginning of the course.
Grading	Students will be graded on their assessment results following the end of the unit. The grade earned in this unit will be averaged into the final grade for the module. All grades earned in each of the units will be averaged into one final grade and this is the grade that will appear on the Transcript of Records.

Unit 2: Risk Management in Banks

Date	13.07.2020-16.07.2020
Class Hours	24 contact hours. Course will be taught in a block style.
Lecturer(s)	Prof. Dr. Christian Thier Professor of Capital Markets and Asset Management Faculty of Business and Law Frankfurt University of Applied Sciences
Course Description	Risk management is a core competency of banks and other financial services providers. This course deals with the ways in which risks are classified, quantified and managed. Among the topics covered are the major risks and the common techniques currently employed to measure and manage those risks today. Throughout the course, some aspects of financial regulations and lessons from the credit crisis which started in 2007 are also discussed.
Learning Outcomes	At the end of the unit students will be able to: <ul style="list-style-type: none"> • Understand the nature of different kinds of (financial) risk • Apply common models and methods to quantifying and managing risks as they are used today • Understand the outcome of risk management techniques and equally importantly, their pitfalls and limitations
Course Method	This course will be taught as a mixture of lectures, group discussions and working groups.
Course Materials	All course materials will be provided free of charge – both online (e-learning platform) and as hard copy. <ol style="list-style-type: none"> 1. Mark Laycock: Risk Management at the top, Wiley 2014; 2. John C. Hull: Risk Management and Financial Institutions, Wiley 2018; 3. John C. Hull: Options, Futures and Other Derivatives, Pearson 2015; 4. Philippe Jorion: Financial Risk Manager Handbook, Wiley 2011; 5. Philippe Jorion: Value at Risk, The New Benchmark for Controlling Market Risk, McGraw-Hill 1997.
Credits	Students will earn a total of 6 ECTS points for the successful completion of the module.
Assessment	Learning will be assessed following the end of the unit. Assessment may be in the form of class presentations, a written exam, case studies, or small group work. The lecturer will inform students about the assessment measures at the beginning of the course.
Grading	Students will be graded on their assessment results following the end of the unit. The grade earned in this unit will be averaged into the final grade for the module. All grades earned in each of the units will be averaged into one final grade and this is the grade that will appear on the Transcript of Records.

Unit 3: Central Banking in the Eurozone

Date	20.07.2020-23.07.2020
Class Hours	24 contact hours. Course will be taught in a block style.
Lecturer(s)	Ingo Sauer Research Assistant and Lecturer in Economics Faculty of Economics and Business Goethe University Frankfurt am Main
Course Description	This course gives a non-technical overview of the main concepts of monetary theory, the monetary system in the Euro area, and the current challenges for central banks and governments to handle the so-called Euro crisis. Students will learn the economic concepts necessary to form their own opinion about the pending (sovereign) debt crisis and be able to argue, using the acquired scientific apparatus, on a theoretical basis in one direction or the other.
Learning Outcomes	After successfully completing the course, students will understand: <ul style="list-style-type: none"> • Basic theoretical concepts of monetary theory • Main targets and instruments of monetary policy • How the Eurosystem is constructed • LOLR function of central banks • How commercial banks make profits and the importance of the banking system for investments (in comparison to other funding markets) • Structural change in the banking system (MMMFs and shadow banks) • Difference between liquidity and solvency problems • Autonomy of a banking crisis • How a sovereign debt crisis arises • Why the “Euro crisis” is in part a sovereign debt crisis • Why the “Euro crisis” is in part a balance-of-payments crisis • Why the central banks of the Euro area (the Eurosystem itself) are probably in crisis • Why some European commercial banks do have funding problems • What kind of rescue facilities have been implemented by policymakers (EFSF, ...) and how they work • Instruments used by the ECB (OMT, ...) and how they work • How all of the above reflects the current political debate in Europe
Course Method	This course will be taught as a mixture of lectures and class discussions.
Course Materials	All course material will be provided free of charge – both online (e-learning platform) and as hard copy. <ol style="list-style-type: none"> 1. Hans-Werner Sinn, <i>Rescuing Europe</i>, CESifo Forum 11 (Special Issue August 2010), 2010 2. Hans-Werner Sinn, <i>The European Balance of Payments Crisis: An Introduction</i>, CESifo Forum 13 (Special Issue January 2012), 2012, 03-10 3. Ingo Sauer, <i>The Dissolving Asset Backing of the Euro</i>, CESifo Forum 13 (Special Issue January 2012), 2012, 63-72

Credits	Students will earn a total of 6 ECTS points for the successful completion of the module.
Assessment	Learning will be assessed following the end of the unit. Assessment may be in the form of class presentations, a written exam, case studies, or small group work. The lecturer will inform students about the assessment measures at the beginning of the course.
Grading	Students will be graded on their assessment results following the end of the unit. The grade earned in this unit will be averaged into the final grade for the module. All grades earned in each of the units will be averaged into one final grade and this is the grade that will appear on the Transcript of Records.

GENERAL INFORMATION

Assessment and Credits

Upon successful completion of the summer course, students will be awarded ECTS points. A single ECTS point is defined as the equivalent of 25-30 hours of student workload, which includes class hours, readings, preparation for class activities, as well as an assessment measure.

Learning will be assessed at the end of the summer course. Lecturers will inform students about the assessment measures at the beginning of the summer course. Students will receive a Transcript of Records showing their grades earned in the course. This document can be presented to their home institution for credit.

Grading

Grades will be awarded based on the German grading system:

1,0-1,3	sehr gut	very good: an outstanding achievement
		good: an achievement that is substantially above average
1,7-2,3	gut	requirements
2,7-3,3	befriedigend	satisfactory: an achievement that satisfies average requirements
3,7-4,7	ausreichend	sufficient: an achievement that still meets the requirements
	nicht	not sufficient / failed: an achievement that does not meet the
5	ausreichend	requirements
NP	No Participation	

Email and Moodle Online Learning Platform

Students are required to use Moodle, our E-Learning Platform. Using Moodle enables students to stay in contact with program administration, lecturers, and fellow students. We also expect students to check their emails on a regular basis. All course materials will be posted on Moodle.

Professional and Class Participation

Class participation is considered a requirement for successfully completing the program. An attendance list will be issued for each class. Student questions, answers, comments, and insights over the course will not only benefit the whole class, but it will also ensure that students have a better understanding of the class material and contribute to their overall academic success. Please avoid being late for class, not turning off your cell phone before class, leaving class before the end of it, talking while someone else (either the professor or one of your fellow students) is talking, and any other unprofessional conduct.

Attendance

Students should attend each class. If students have to miss a class, they should a) complete the required homework or readings, b) get copies of the notes presented that day, and c) talk with classmates about what they missed. Students also need to inform their lecturer if they need to miss class. This can be done in person or via email.

Academic Honesty

Students caught cheating or plagiarizing will fail, at our discretion, either the assignment in question or the entire program.