

Course Information	
Subject	Banking Activity
Degree	Master in Finance
Course	First course
Term	Second Term
ECTS – Credits	3 ECTS
Type of Course	Elective
Department	ICADE Business School
Area	Finance
Professor	
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COURSE SPECIFICS

Context of the Course
Contribution to the professional profile of the master degree.
The objective is to acquire an updated and applied vision of the Bank, its operation, its businesses and the strategic decision-making process within financial institutions.
The role of the Banking Union and the SRB will be discussed in detail
Class Aims
<ol style="list-style-type: none">1. Understand the general operation of a Banking Financial Institution, its objectives and main levers of direction, acquiring a global vision about its organization in functional units, as well as the interrelationship between them.2. Know the organizational strategies for both Retail Banking and Wholesale Banking, approaching - in an applied way - the different businesses that make up the core of activities of an international financial institution.3. Know the main parameters by which risk management structures an international financial institution.4. Know the operation of the Banking Union, the SRB and the actions and resolutions that they will apply to minimize the impact of bankruptcy on banks.

CONTENTS

Contents. First part
Lesson 1: Banking activity. Background, characteristics and types
<ul style="list-style-type: none">• Review of the evolution of banking• Financial intermediation. Role of banks in the financial system• Bank classification• The current banking map
Lesson 2: The banking business
<ul style="list-style-type: none">• Business differentiation:• Commercial Bank• Retail• Private banking• Business banking• Investment banking
Lesson 3: Regulatory capital in banking. Evolution and challenges of incoming regulation
<ul style="list-style-type: none">• Review of the Basel Accords• Basel III Reform: Challenges Facing Banks
Lesson 4: Shadow Banking
Contents. Second part
Lesson 1: Structure and balance of a bank, SRB perspective
Lesson 2: Analysis and bank ratios, case of resolution
Lesson 3: Recovery and resolution framework
Lesson 4: Risk analysis from a banking perspective
Lesson 5: Capital requirements for global banking group
Lesson 6: Review of the basic principles for proper risk management

Competences
General competences
CGB 1. Capacity for analysis and synthesis
CGB 2. Problem solving and decision making
CGB 3. Capacity for organization and planning

- CGB 4. Ability to manage information from different sources
- CGB 5. Advanced computer skills related to field of study
- CGB 6. Interpersonal skills: listen, argue and debate
- CGB 7. Leadership and teamwork
- CGB 8. Critical and self-criticism capacity
- CGB 9. Ethical commitment
- CGB 10. Recognition and respect for diversity and multiculturalism
- CGB 11. Ability to learn and work independently
- CGB 13. Action and quality orientation
- CGB 14. Ability to process and transmit ideas, projects, reports, problems and solutions

Specific competences

CE 9 Understanding how global credit institutions are managed, the different sources of financing and the way in which a Financial Project is managed, giving a response to the questions of where and how to obtain the money, and how to ask for it from a credit institution.

TEACHING AND LEARNING

General methodology characteristics of the course

Classroom methodology: Activities

It combines lectures with case presentations and readings by students. During the course of each session will review basic concepts contained in the documentation that students have available before each class, and that they must read in depth to ask the arising doubts during the class session. These concepts should be applied by resolving case studies by the students. During the class session the case studies solutions will be debated, allowing delve into the nature of the problem. It is mandatory active participation of students in both the normal development of the class, and in the discussion of the case study, or the exercises if there to be. The driver shaft of the methodology to be used is the practicality of the concepts and skills covered in the sessions. The usual methodological sequence is as follows:

1. Statement of the general framework of the subject by the monitor / teacher.
2. Discussion of the conceptual doubts that students have about the subject, and resolving them
3. Practical use of concepts through the analysis of real or fictitious case studies, and / or exercises.
4. Summary of worked concepts and summary of the main conclusions

Competences

Methodology - Not in the class: Activities

The previous study of the documentation for each session, which will be made available to students with sufficient time is required. Analysis and resolution of practical cases, when assigned, which allow the student to make a decision-making exercise like a professional at a financial department of a company. The resolution of the case studies is mandatory and prior to the corresponding session and must be delivered in writing. The resolution of the exercises proposed by the teacher shall be delivered in writing.

Competences

EVALUATION AND GRADING CRITERIA

Types of Evaluation	Criteria	Weight
Exam, public defence, practical cases and Final Presentation (SE1). FINAL EXAM	To pass the subject, the final exam mark must be at least 4,90. Right answers; Organization of information; Synthesis.	15%

Individual Test (SE2). TWO INDIVIDUAL MIDTERM EXAMS	Right answers	15%
Public, individual or group presentations (SE3) FINAL CASE PRESENTATION	Apply instructions and criteria.; Organization of information; Clarity in presentation; Means of support used; Synthesis.	25%
Individual Assignments/Practices/Works (SE4) INDIVIDUAL ASSIGNMENTS/PRACTICES/WORKS, SAME WEIGHT EACH	Apply instructions and criteria; Appropriateness in the statement of the questions; Right answers; Organization of information; Clarity in presentation; Means of support used; Synthesis.	5%
Group Assignments/Practices/Works (SE5) GROUP ASSIGNMENTS/PRACTICES/WORKS SAME WEIGHT PER EACH	Apply instructions and criteria; Appropriateness to the statement of the questions; Right answers; Organization of information; Clarity in presentation; Means of support used; Synthesis <u>Distribution and organization of work.</u> <u>Everyone must participate</u>	15%
Participation (SE6) PARTICIPATION, ACHIEVEMENT OF OBJECTIVES, AND COMMITMENT THROUGHOUT THE CLASSES	To achieve the pass mark, the student is required to help/push into the dynamics of the classes, provide evidence of achievement of objectives, predisposition, commitment and initiative.	25%

Notes to the evaluation criteria:

1. All students must meet a minimum of 75% attendance in the whole subject.
2. For the exercises, to be taken into account, they must be delivered through Moodle in time and format.
3. If, when combining the criteria, the final grade is equal to or higher than 5, but the minimum grade for the exams or final tests has not been achieved, the final grade will be reduced to a maximum of 4,0 points.
4. In case a student does not obtain a grade of 5,0, the student may take an extraordinary exam. In that case if the student pass the retake exam, his/her final grade in the subject must be a 5,00.
5. If the student does not comply with 70% of the evaluation activities, the weightings of the evaluation system table will not be applied, and the maximum final grade will be 4,0.

Evaluation criteria to apply at second enrolment:

Types	Criteria	Weight
Individual assignments	To pass the course, the student must deliver all the tasks assigned by the teacher	15%
Taking written exams, multiple choice tests, concept tests and solving practical cases as an exam	At least 5,00 points on the final exam, or at least an average of 5,00 on all examination activities.	70%
Participation	To achieve the pass mark, the student is required to help/push into the dynamics of the classes, provide evidence of the achievement of objectives, predisposition, commitment and initiative.	15%

Evaluation criteria to be applied in the case of school waiver/exemption:

In cases of exemption/dispensing from schooling, provided that the student duly justifies it, the grading criteria will be 70% for the exam (if the subject allows it, two exams will be taken, 35% each) and 30% for individual works. The individual works will serve to control the evolution of the student's learning. Only in cases in which the student is not able to answer in writing, and provide

evidence that justifies it, the exam may be oral and the content of the student's answers will be transcribed.

Criteria in health alert:

The student must be permanently identified, with an identification in the classroom and with their full name remotely. Students should not change the spaces they occupy in the classroom, unless directed by a teacher or the program management.

Failure to comply with any of the health recommendations during the class sessions may imply failure in the subject.

SUMMARY OF STUDENT WORK HOURS							
ATTENDANCE HOURS							
Lectures (AF1)	Content presentation (AF2)	Homework presentation (AF3)	Exercises and assessment (AF4)	Class discussion (AF5)	Seminars, workshops, case studies (AF6)	Interdisciplinary activities (AF7)	Simulations (AF8)
2,5	12,5	2,5	5	2,5	2,5	0	2,5
NON-ATTENDANCE HOURS							
Study and analysis of documentation (AF9)		Performing assignment and case studies (AF10)		Tutorial sessions (AF11)		Conducting collaborative work (AF12)	
30		5		2,5		5	
ECTS CREDITS:						3 ECTS	

BIBLIOGRAPHY

Recommended Bibliography
Basic readings
<p>Web:</p> <p>https://www.ecb.europa.eu www.eba.europa.eu https://www.bis.org http://www.santander.com http://www.bbva.com http://www.citigroup.com http://www.hsbc.com</p> <p>Textbooks:</p> <p>Modern banking. Shelagh A Heffernan. John Wiley & Sons (2005) Risk management in banking. Joël Bessis. John Wiley & Sons (2002) La banca y los mercados financieros. Ramón Casilda Béjar. Alianza (1997)</p> <p>Nuevas estrategias del sistema bancario en la Unión Económica y Monetaria. Altina Sebastián González. Instituto de Estudios Económicos(1999)</p>
Additional Readings
<p>Modern banking. Shelagh A Heffernan. John Wiley & Sons (2005) Risk management in banking. Joël Bessis. John Wiley & Sons (2002)</p>

La banca y los mercados financieros. Ramón Casilda Béjar. Alianza (1997)
Nuevas estrategias del sistema bancario en la Unión Económica y Monetaria. Altina
Sebastián González. Instituto de Estudios Económicos(1999)
<https://www.bis.org/bcbs/>

Other readings

They will be provided during the course based on financial news