Finance 321: Financial Institutions Management

Fall 2015

Professor Sheffield C. Richey, Jr.

Classes: Thursdays 7:20pm to 10:00pm.
Office: Enterprise Building 277; Office Hours by Appt., TH, one hour before class
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Consider this syllabus an agreement. There are no "extra credit" assignments. Unless otherwise stated, students are responsible for all text material, whether covered in class or not. Class notes are the students' responsibility. Absences are treated consistent with University policy. Conflicts due to professional commitments must be indicated in advance; obligations will be due on or prior to original due dates. Makeup exams will only be given by prior arrangement or in case of a significant illness. Any University cancellation of class will result in the assignment or obligation being due the next scheduled class meeting.


Recommended: Wall Street Journal (Highly Recommended), Business Week, The Economist, Fortune, Financial Times, American Banker

Outside Reading: Outside assignments will be announced in class and made available in class, on this website or at the Copy Center.

Honor Code: Students are expected to follow the honor code as presented in the University's Catalog.

Grading:
Three tests (non-cumulative) worth one-third each of total grade

(NOTE: Class participation and discussion are expected.)
Schedule for the Semester

Class Subject (Chapters) and Important Dates

INTRODUCTION

Major Financial Intermediaries and Their Role in the Economy
9/3 Chapter 1 PPT - Why Are Financial Institutions Special?
Chapter 2 PPT – Financial Services: Depository Institutions

Institutionalization of Saving, Financial Intermediation, the Financial System and Reforms
9/10 Chapter 3 & 4 PPT – Financial Services: Finance Companies; Financial Services: Securities Brokerage and Investment Banking
9/17 Chapter 5 & 6 PPT – Financial Services: Mutual Funds and Hedge Funds; Financial Services: Insurance

RISK MEASUREMENT

9/24 Chapter 7 & 8 – Risks of Financial Institutions; Interest Rate Risk I
10/1 Chapter 9 – Interest Rate Risk II; Cont. Interest Rate Risk I & II
10/8 Chapter 10 & 11 - Credit Risk: Individual Loan Risk; Credit Risk: Loan Portfolio and Concentration Risk
10/15 Chapter 12 – Liquidity Risk; Test #1 review
10/22 Test #1 covering Chapters 1-11
10/29 Chapter 13 & 14 - Foreign Exchange Risk; Sovereign Risk
11/5 Chapter 15 & 16 – Market Risk; Off-Balance-Sheet Risk

RISK MANAGEMENT

11/12 Chapter 18 & 19 - Liability and Liquidity Management; Deposit Insurance and Other Liability Guarantees; Test #2 review
11/19 Test #2 covering Chapters 12-19
11/26 Thanksgiving
12/3  Chapter 20-21 & 23 – Capital Adequacy; Product and Geographic Expansion; Options, Caps, Floors, and Collars

12/10  Chapter 25 & 26 – Loan Sales; Securitization; Test #3 review

12/17  Test #3 covering chapters 20 – 21, 23 & 25-26