

Banking 2

2022/23

Petr Dorozhkin
Head of strategic finance
Peter.dorozhkin@gmail.com

TAs: TBD

Course description

The course introduces the listener to the theory and practice in different aspects of modern banking business, however, mainly looking at the bank and fintech companies from CFO's point of view. Its goal of the course is (1) to provide comprehensive understanding of banking and fintech industries and (2) introduce tools and methods to look at the bank as an investment target.

Course requirements, grading, and attendance policies

Pre – requirements for the course are:

- Macroeconomics
- Accounting
- Corporate finance

Course grade would constitute of the following parts:

Name	Weight
2 homeworks, to be completed individually	20% each
Final project, to be completed in small groups	60%
Total	100%

Course contents

The course covers the following topics:

1. Banking sector: goals and purposes of a bank in the economy; macroeconomics and banking sector standing together: credit and economy cycles; regulation;
2. Bank's internal structure: key business and support units and their role in bank's everyday life; bank's management layers: from shareholders' meeting and supervisory board to committees. Key processes in the bank: their participants, goals and purposes
3. History and modern trends of banking sector development: overview of alternative business models; neo – banks; three models of alternative banking systems (EU, US, China). Open banking
4. Management accounting in the bank: profit and cost centers, transfer income, cost and revenue allocations.
5. Investing in banking sector. Key investor types: Equity vs. fixed income. Valuation methods overview. DOs and DONTs.
6. CFO tools: financial models with short-term and long – term horizons. From standalone bank to the financial group
7. The future of banking: CBDSs vs Crypto currencies. Neo banks in practice: the case of Kaspi.

Description of course methodology

1. Lectures
2. In – class discussions

3. Mini – cases
4. Homeworks

Course materials

Required textbooks and materials

1. Peter S. Rose, Bank Management & Financial Services ISBN: 978-0-078-03467-1
 2. Джозеф Синки; Финансовый менеджмент в коммерческом банке и в индустрии финансовых услуг ISBN 5-9614-0344-
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Additional materials

3. Ларина О.И.; Банковское дело. Практикум ISBN 978-5-534-11427-0
 4. Деннис Ховард Маркс; Рыночные циклы. Как выявлять и использовать закономерности для успешного инвестирования ISBN 978-5-6042881-4-6
 5. Ray Dalio; Principles For Navigating Big Debt Crises ISBN 978-1-7326898-0-0
 6. James J. Valentine, CFA; Best practices for equity research analysts ISBN 978-1-25-900395-0
 7. Бретт Кинг; Банк 3.0 ISBN 978-5-9693-0294-5
 8. Евгения Письменная; По Большому Счету: История Центрального Банка России ISBN 978-5-00146-197-5
 9. Juliet Johnson; A Fistful of Rubles: the Rise and Fall of the Russian Banking System ISBN 978-0-8014-3744-1
 10. Евгений Карасюк; Слон на танцполе. Как Герман Греф и его команда учат Сбербанк танцевать ISBN 978-5-91657-5-586-6
 11. William N. Goetzman; Money Changes Everything: How finance made civilization possible ISBN 978-0-691-17837-0 11. James Freeman, Vern McKinkey; Borrowed time: two centuries of booms, busts, and bailouts at Citi ISBN 978-0-06-266987-2
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Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.