

## MBAS 515: International Banking

Workload : 4 hours per week. - Total credits: 4

Examination : 3 hours 70 marks

- Objectives
1. Comprehend the role, policies and practices, and products of international banking
  2. Describe international capital market and capital flows
  3. Categorise foreign exchange risk and its effect
  4. Identify the various agencies and intermediaries of international capital flow
1. Understand the role of international banking in developing and promoting regional and global relationship.
  2. Able to understand and procure capital from international financial market.
  3. Understand the foreign exchange risk and able to manage it
  4. Able to identify various agencies and international financial institutions which provides financial assistance for development.

Pedagogy : Lectures, assignments, practical exercises, discussions, seminars.

**Module 1:** Evolution of international banking: International banking: A Functional Overview  
–Banking for financing of exports and imports of goods and services. International payments system.

**Module 2:** International capital markets-financial market flows beyond national boundaries, Debt and non-debt flows; volatile and stable flows; interest rate differentials and their role in demand for and supply of funds across borders.

**Module 3:** Offshore banking centres and their role international financing, Global Balance sheet of banks. Asset and liability managements of foreign banks

**Module 4:** International lending, policies and practices, transaction cost and risk in international lending. Profitability of international banking. Loans to foreign corporation, syndicated loans; financing foreign government s. Issues of information symmetries and adverse selection. Regulatory and supervisory aspects .Trends in international banking in India

**Module 5:** Foreign exchange risks; the exchange rate swings and their effects on bank's net worth.

**Module 6:** International rating agencies. Country risk. International financial stability and the central role of banks in financial stability.

**Module 7:** International Financial Institutions: World Bank, IMF, BIS, Regional Development Banks, New Development Bank.

**Module 8:** Issues relating to international financial architecture.

**Reference Books:**

1. Rupnarayan Bose, Fundamentals of International Banking, Laxmi Publications (2007)
2. World bank, IMF ADB, BRICS Bank websites.
3. IIBF (Indian Institute of Banking and Finance), International Banking, Macmillan.
4. Jane Hughes and Scott MacDonald, International Banking: Text and Cases, 1<sup>st</sup> Edition, Pearson.
5. Lees Francis A, International Banking and Finance. Palgrave Macmillan
6. Indian Institute of Banking & Finance (IIBF), International BANKING - Legal and Regulatory Aspects, Jain Book Agencies.

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