

M11 Banking Regulation	
Lecturer Prof. Dr. Michael Feucht	Module coordinator Prof. Dr. Michael Feucht
Content <ul style="list-style-type: none"> • Introduction: The Need for Financial Regulation and Supervision – a Historical Approach • Supranational and National Supervisory Authorities and Standard-setting Institutions • Overview: Fields of Regulation in the Banking, Insurance and Securities Trading Industry • Student Research (supplemented by regular lectures) <ul style="list-style-type: none"> ○ Basel III/CRD IV: Increasing Quantity and Quality of Supervisory Capital ○ Basel III/CRD IV: Enhancing Risk Coverage - Credit Risk ○ Basel III/CRD IV: Enhancing Risk Coverage - Market Risk ○ Basel III/CRD IV: Enhancing Risk Coverage - Operational Risk ○ Basel III/CRD IV: Supervisory Review Process ○ Basel III/CRD IV: Market Discipline ○ Basel III/CRD IV: Reducing Leverage in the Banking System ○ Basel III/CRD IV: Improving short-term and long-term Liquidity Standards ○ Solvency II: Overview ○ EMIR: Overview • An Outlook: The Future of Global Financial Regulation and Supervision 	
Prerequisite for participation <ul style="list-style-type: none"> • Module M1 “Financial Market Decisions” is required as a prerequisite. • A basic understanding of financial services industry (banking, insurance and securities trading) is necessary. 	
Preparation / Reading <ul style="list-style-type: none"> • For students who do not have sufficient knowledge about today’s global financial system, it is highly recommended to read Mishkin/Eakins, Financial Markets and Institutions (8th global ed. forthcoming in May 2015) before the class starts. 	
Intended learning outcomes <ul style="list-style-type: none"> • Learning from a history of financial crises, students understand the need for financial supervision and regulation on a global scale. They are able to critically reflect the shortcomings of former regulatory approaches (“lessons learned” from the past). • Students acquire a thorough picture of today’s national and supranational supervisory authorities and institutions involved in the process of financial supervisory and regulatory standard-setting. • Students understand the different pillars of today’s regulatory and supervisory framework and are able to develop recommendations for further improvement. • By deeply researching and analyzing at least one specific detail of today’s framework, every student understands the operational challenges that financial institutions face when the rules have to be implemented. Potential negative effects of regulatory activities may be identified. 	
Teaching & Learning methods <ul style="list-style-type: none"> • Lecture including small historical case studies • Questions for discussion/practical problems (as homework assignments) • Research project: Each student has to do an in-depth analysis of a specific regulatory or supervisory topic and present his results in class 	

<p>Literature</p> <ul style="list-style-type: none"> • Official documents and legal texts provided by national and supranational supervisory authorities such as Basel Committee on Banking Supervision, European System of Financial Supervision, Bundesanstalt für Finanzdienstleistungsaufsicht (links provided in university’s learning management system Moodle) • Supplemented by recent scientific papers and news reports to be either provided as online resources in Moodle or as paper copies in class
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Course organisation

ECTS-Credits 6	SWS 4	Language English
Kind of module Compulsory	Term Summer Term	Duration 1 term
<ul style="list-style-type: none"> • Workload 6 ECTS-Credits x 30 hours = 180 hours: 		
<p>Attendance</p> <p>15 weeks * 3 hours = 45 h.</p>	<p>Preparation / Homework / Self-study</p> <p>15 weeks * 3 hours = 45 h.</p>	<p>Time for exercises and group work</p> <p>15 weeks * 2 hours = 30 h.</p>
<p>Semester Project / Presentation</p> <ul style="list-style-type: none"> • 40 hours for scientific work • 5 hours for presentations 	<p>Exam preparation</p> <p>15 hours</p>	<p>Exam time</p> <p>120 minutes</p>
<p>Pre-requirement for the exam</p> <ul style="list-style-type: none"> • All students have to work on a semester project. As a prerequisite for the exam, students have to hand in a 20 page scientific paper and present their topic in a 20 minute presentation plus 10 minutes discussion. 		
<p>Exam requirements</p> <ul style="list-style-type: none"> • Pocket calculator • No other material allowed in the exam („closed book“) • Semester project and final exam are combined into one grade. They don’t have to be passed separately. 	<p>Weighting in examination</p> <p>Final grade:</p> <ul style="list-style-type: none"> • 50% written exam • 25% scientific paper from research project • 25% presentation 	