Subject Coordinator: Shyam Bhati  
Room No: 40.301  
Tel: (02) 4221 4006

Seminar time: Wednesday, 10.30 AM to 12.30 PM  
Location: Room 40.126

Subject Objectives

International banking focuses on the study of various issues involved in the international operations of banks. In particular, the theory and practice of banks in the area of their global operations will be comprehensively discussed.

On successful completion of this subject the students should be able to demonstrate an understanding of:

1. the importance of international operations of the banks for their overall business.
2. the mechanisms of the various methods of payments involved in the settlement of international transactions, the role of banks in facilitating those transactions and various issues connected with them.
3. the foreign exchange markets within the banking environment.
4. various types of risks that the banks face in their international operations.
5. various types of regulatory regimes in which the banks conduct their international operations.
6. the impact of deregulation on the international operations of Australian and other global banks.
7. various new developments taking place in the international banking environment

This will help the students in critically evaluating the influence of various social, political and economic factors on the international operations of banks in Australia and overseas.
Prescribed Text:


Additional References:

The following books are listed to assist the students in the preparation of seminars and essays.


Kim, S.H. and S.H. Kim, Global Corporate Finance: text and cases, Blackwell Business, 1996


Please note that while these readings are listed to help you in sourcing materials, these readings by no means represent all the source material available.
Recommended Journals:

The following are some of the Journals in which articles relevant to subject appear:

- Accounting Review
- Asiamoney
- The Australian Banker
- Advances in International Banking and Finance
- Bank of England Quarterly Bulletin
- Bankers Magazine
- Euromoney
- Financial Markets, Institutions and Instruments
- Global Finance Journal
- International Journal of Finance
- Journal of Banking and Finance
- Journal of Financial Markets, Institutions and Money
- Journal of Money, Credit and Banking
- National Australia Bank Quarterly Review
- Reserve Bank of Australia Bulletin
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<th>Topics*</th>
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<td>1</td>
<td>19/7/99</td>
<td>Introduction</td>
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<td>International monetary system</td>
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<td>2/8/99</td>
<td>International banking services and Euromarkets</td>
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<td>16/8/99</td>
<td>Foreign exchange: Dealings and payment systems</td>
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<td>Methods of payments in international trade</td>
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<td>Country risk analysis</td>
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<td>10</td>
<td>20/9/99</td>
<td>1. International private banking</td>
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<td>2. Regulatory issues in international banking</td>
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<td>Project finance</td>
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<td>25/10/99</td>
<td>New developments in international banking</td>
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Essay Due on 8/9/99

Two weeks recess from 27 September to 10 October 1999
References relevant to each topic will be advised during the lecture.
Tutorial questions on each topic will be advised at the end of the lecture every week.
Method of Assessment

In order to complete the subject successfully, the student will be required to complete all the requirements listed below, which are compulsory.

1. Attendance at and an active participation in at least 90% of the seminars

2. Submission of, in an academically acceptable form and within the time and length limits specified:
   a. Seminar presentation/ written presentation
   b. Essay

3. Achievement of at least 40% marks in the final examination
   (marks are subject to scaling)

4. The student's performance in the subject will be assessed based on the following
   a. One seminar (presentation and written paper)  25%
   b. One essay      20%
   c. Seminar/tutorial participation     5%
   d. Final examination     50%

Seminar Presentation

The subject will be conducted on the basis of weekly seminars.

Each student will be required to present one seminar topic. The presenter will also be required to give a written submission of the seminar which should be of 2000 words in an academically acceptable form and include a list of references. Student should be able to demonstrate a broad research base in the area of the seminar topic with additional readings. Written submission of the seminar should be given to the lecturer within two weeks after the presentation. The marks for the seminar presentation will include both the presentation and the written submission for the seminars.

Essay: The due date for the submission of essay is 8/9/99. The essay topic is

"Probably the most critical functions of project financing are to reduce the investor’s risk and exposure to liabilities. In order to share costs and reduce their own risks, investors may invite other investors and lenders, to contribute financing for a foreign investment project”
(Ingo Walters and Roy C. Smith, Global Capital Markets and banking, 1999, p.3)

Critically discuss the above statement, giving the reasons for agreeing or disagreeing with it. The essay topic should be discussed using examples.
Requirements of the essay

1. The essay should be of 3000 words in length.

2. The essay should be typed using 1½ or double line spacing with a 5cms margin on all sides.

3. The essay should include a synopsis and a list of references. The method of referencing used in the Accounting Review should be used.

4. Two copies of the essay should be submitted in person to the subject coordinator during the seminar session of the particular week.

Essays must not be posted or transmitted by fax

5. There are penalties for
   a. Late submission
   b. No synopsis
   c. No references
   d. Failure to refer to press and/or journals

6. The assessment of the essay will be based on the following:
   a. Synopsis
   b. Structure and Presentation
   c. Contents and arguments presented
   d. Style
   e. References and Citations

7. Plagiarised essays, which include copying of the work of another student, will attract penalties (Refer: The University of Wollongong Postgraduate Acknowledgement Practice, pp 54 - 56 in the 1999 University Calendar)

8. The cover page of the essay should contain the following declaration

   I have read and adopted The University of Wollongong Postgraduate Acknowledgement Practice pp. 54 - 56 in the 1999 University Calendar.

   Signed……………………………………….
   Date………………………………………………

Seminar participation

Marks for seminar participation will be based on the following

1. Attendance in at least 90% of the seminars.
2. Active participation in seminar discussions.

Special consideration

Refer to the University of Wollongong 1999 Postgraduate calendar on Supplementary Exams and Special considerations, pp 42 - 44.

Disability

If a student with a disability requires reasonable accommodation in this subject, they are strongly advised to discuss the issue with one of the following persons: The Disability Liaison Officer, Faculty Disability Adviser and/or the Subject Coordinator. For the Faculty of Commerce, please see Dr Robert Williams, Sub Dean, Room No. 40.337

NOTE: This subject carries 6 credit points. The University has determined that each credit point translates into work of about 2 hours per week that includes class attendance