



		<i>Minneapolis Quarterly Review</i> , Vol, 24, No 1, Winter 2000, pp. 14-23.
4	Functions of the FED and the conduct of monetary policy. Actions during the crisis. Review of other central banks (European Central Bank and BoE)	Required: Ch. 6-7 Recommended: The Federal Reserve System: Purposes and functions (chapters 1-3 are the most relevant, read other chapters if you are interested in the operational aspects of the FED) <a href="http://www.federalreserve.gov/pf/pf.htm">http://www.federalreserve.gov/pf/pf.htm</a>
5	Depository institutions (commercial banks, savings and loans, credit unions).  Analysis of bank financial statements and bank financial performance.	Required: Ch. 17-19 JP Morgan Chase 2009 Annual Report - letter to shareholders and summary of financial statements.  Recommended: A User's Guide for the Uniform Bank Performance Report <a href="http://www.ffiec.gov/PDF/UBPR/UBPR_12-08.pdf">http://www.ffiec.gov/PDF/UBPR/UBPR_12-08.pdf</a>
6	Practical applications: providing credit to businesses and consumers <ul style="list-style-type: none"> <li>• Lending policies and procedures</li> <li>• Lending to businesses and loan pricing</li> <li>• Consumer loans, credit cards and real estate lending</li> </ul> <u>Course group project discussion</u>	Required: Lending case: Southwest Trading Company, Excel spreadsheets posted online ( <u>group assignment</u> )  Recommended: Rose, Peter S. and Hudgins Sylvia C., Bank Management & Financial Services. McGraw Hill, 7 <sup>th</sup> Edition, 2008. Chapters 16-18, pp. 511-612
7	Investment banks; security brokers and dealers; "parallel banking system" and its role in the current financial crisis.	Required: Ch. 23
8	Mutual funds and insurance companies and pension funds. HBS case discussion: 2006 Hurricane Risk.	Required: Ch. 21-22 HBS Case: 2006 Hurricane Risk, 2008. ( <u>group assignment</u> )
9	Management of risk I: Review of risk facing financial institutions.	Required: Ch. 24
10	Management of risk II: Interest risk and asset/liability management HBS case study discussion: Banc One Corporation	Required: HBS Case: Banc One Corporation. Asset and Liability Management. Updated 2008. ( <u>group assignment</u> )
11	Management of risk III: Capital management during current financial crisis: stress tests of major and review of Basel I and II (and proposed Basel III)	Required: The Supervisory Capital Assessment Program: Overview of Results, <i>Federal Reserve Board of Governors</i> . May 9, 2009.
12	Financial crisis of 2007-2009: timeline, major events, causes and consequences.  HBS case discussion: Tip of the Iceberg: JP Morgan Chase and Bear Stearns, A, B, and B2	Required: HBS Case: The Tip of the Iceberg: JP Morgan Chase and Bear Stearns (A), (B1), and (B2), 2009 ( <u>group assignment</u> ) Recommended: Swagel, P. The Financial Crisis: An Insider View. <i>Brooking Papers on Economic Activity</i> . Conference Draft Report, Spring 2009. Gorton, Gary B. Questions and Answers about the Financial Crisis, February 2010. Prepared for the U.S. Financial Crisis Inquiry Commission.
13	Re-regulation of financial industry: discussion of pending regulation in Congress (likely to be passed by the time of this class).	TBD
14	Additional topics (time permitting and depending on class progress to date): international financial markets, Islamic finance.	TBD
15	Group project presentations	

**Please note:** assignments' details will be posted online at class website: [www.gperelman.com](http://www.gperelman.com) Please check the class webpage frequently during the course. I will post as much course materials as possible to help you succeed in this class (references to current events relevant to our course, class notes, review notes, clarifications of questions posed during in-class discussions, etc.)