The Hashemite University	
Faculty of Economics and Business Administrative	
Offering Department	Financial Economics
Module title / number	**Monetary institutions/ 1802012325**
Perquisite	**1802012225**

Teaching staff	……
Office:	--- -
Office Hours:	--
Email:	……..@hu.edu.jo

Module description	This course introduces an overview of banks structure and banks financial services. It also deals with banks' financial statements in addition to banks' off-balance sheet activities. We then turn to bank's performance evaluation and risk measurements. The asset-liability management (ALM) strategies then discussed. Risk management using financial futures, options, swaps, in addition to risk management using asset-backed securities, loan sales, credit standbys, and credit derivatives. The Investment function of banks is no less important therefore the course discusses the liquidity and reserve management, managing and pricing deposit services. Finally it discusses the management of banks capital.
Aims	**COURSE OBJECTIVES:** 1. To equip the student with the principles he or she needs to make sense out of the conflicting and contradictory discussions of financial economic conditions and policies in newspapers and news magazines. 2. Make the student able to evaluate the performance of banks. 3. Understand and predict the financial forces shaping real-world banking services. 4. Understand the impact of banks policies on families and business. 5. Understand the impact of banks policies on economic growth. 6. Develop and strengthen overall analytical skills. 7. Develop critical thinking skills about markets and banking services.
Intended learning outcomes (ILOs) Upon the completion of this module , students should be able to achieve the following:	
1- knowledge and understanding	
	A1) Understand banks behavior regarding maximizing the profit of the firm under different financial policies. A2) Understand banks reaction concerning government policy and activities. A3) Understand the importance of banks role on the economic overall performance. A4) understand types and risk that face banks and the how the risk can be managed.
2- Analytical and thinking skills	
	Students should have the ability to B1) Present written and/or oral reports using critical thinking, finance data, financial economic theory. B2) Perform mathematics, and statistical knowledge and its application on banks decision. B3) Comprehend and communicate data presented graphically and/or mathematically. B4) The ability to relate mathematical and statistical models to their assumptions and to the real world.
Teaching and learning methods	
	- There will be 3 hours lectures per week. Although the lectures cover the vast majority of the module material, students must make use of the textbooks extensively especially the empirical cases presented in the book.
Assessment methods	

Students will be assessed based on the following:

Exam	Day/Date	Time	Place	Weight
First exam	Tue.	17/3/2015	TBA	30%
Second exam	Tue.	21/4/2015	TBA	30%

Final Exam	To be assigned by the registrar office	TBA	TBA	40%
Total				100%

Academic Honesty

All the assignments and work submitted by the student should be his or her own. All actions of academic dishonesty including cheating, plagiarism or helping other students in such actions will be dealt with strictly according to the university regulations.

Main textbook(s) and additional readings

(Bank Management and Financial Services) last edition, 2012. *McGraw Hill*, By: Peter S. Rose, Sylvia C. Hudgins

Online Resources

1) Text book student's companion website: http://highered.mcgraw-hill.com/sites/0073382434/information_center_view0/
   Here you can find a multiple choice exercise question.
2) Instructor website: http://staff.hu.edu.jo/shurrab
3) Hashemite University's Model e-learning system. Here you can find the power point slides presentation and others. You will need a username and password to be able to view the course materials. Refer to the instructor to get the username and password.

Detailed lecture schedule

Week:	**Material:**	**Hours**
Week 1+2	Ch (1): An overview of banks and financial services sector. Ch. (5): The financial Statement of banks and their principal competitors.	10 hours
Week 3=4	Ch (6): Measuring and evaluating the performance of banks and their principal competitors. Ch (7)Asset-Liability Management: Determining and Measuring Interest Rates and Controlling Interest-Sensitive and Duration Gaps.	15 hours
Week 5	Midrerm Exam (covers chapters 1,5,6 and 7	5
Week 6	Ch (8) Using Financial Futures , Options , Swaps , and other Hedging Tools in Asset-Liability Management Second Exam (covers chapters 7,and 8)	7 hours
Week 7	Ch (9): Risk Management Using Asset-Backed Securities, Loan Sales, Credit Standbys, and Credit Derivatives	5 hours
Week 8	Final Exam	2 hours

Good Luck!