

**Syllabus for
Banking Supervision: Bank Rating, Stress Testing, Financial Stability**

Lecture and Computer Sessions - 5 ECTS

Block course: Friday, 25/11/2016 – 9.45 am to 4.30 pm, rooms LG 0.222/3 and LG 3.152/3
 Saturday 26/11/2016 – 10.30 am to 4.45 pm, rooms LG 0.422 and LG 0.424
 Friday, 02/12/2016 – 9.45 am to 4.30 pm, rooms LG 0.422 and LG 3.152/3
 Saturday, 03/12/2016 – 10.30 am to 4.45 pm, rooms LG 0.422 and LG 0.424

Language: English

Office hours: By appointment

Content

This course covers a wide range of topics in banking supervision (e.g., bank rating models and risk assessment in banking supervision; different concepts of stress testing credit, market, and liquidity risk; development and analysis of bank stability indicators; bank resolution; financial stability and macroprudential oversight in the EU). Basic analytical concepts will be provided as a background; the last EBA/SSM Stress Test will be used to analyze the implications of such an exercise for banks, policy makers, and international organizations. A case study based on the econometrics software Stata will be used to develop empirical bank rating and stress testing tools.

Motivation

Students

- learn about banking structure, regulation, bank bailouts, and corporate governance in banking.
- understand and apply different concepts of bank rating and stress testing; develop tools using the econometrics software Stata.
- analyze competition and efficiency in banking markets and understand the concept of financial stability.

Exam

Final examination (100%)
[The grade can be improved up to 30% with a voluntary project work.]

Literature

Presentation slides and relevant literature will be provided.