## COX 3115 BANKING THEORY AND PRACTICE (3 CU) (Banking Option)

**Course Description**

The course orients students to the overview of the banking sector, the impact of Government policy and regulation s on the banking sector, financial statements of banks and evaluating performance of banking institutions. The course also covers bank lending policies and procedures, managing and pricing of deposit services.

**Objectives and Aims**

The course will help students to understand;

* The impact of Government policy and regulations on the banking industry
* Financial statements and performance of banks
* Banking lending policies and procedures.

**Learning Outcomes**

At the end of the course, students should be able to;

* Discuss the impact of Government policy and regulations on the banking industry
* Evaluate the performance of the banking industry
* Discuss bank lending policies and procedures
* Describe how to manage and price bank deposit services.

**Intellectual, practical and transferable skills**

* Problem solving skills, Teamwork, Analytical

**Teaching and Learning Patterns**

* Use of case studies, class discussions, straight lecture, Group presentations

**Indicative content**

The topics will include Introduction To the business of banking, overview of banking sector, the impact of Government policy and regulations on the banking sector, establishing new banks, branches, ATMs, telephone services, Financial statements of banks, evaluating performance of banks and their principle competitors, Asset-Liability management techniques and hedging against risk, Determining and managing interest rates and controlling interest-sensitive and duration gaps, Managing the investment portfolios and liquidity positions of banks, liquidity and reserve management, Managing and pricing of deposit services, Managing non-deposit liabilities and other sources of borrowed funds, investment banking, insurance and other sources of fee income, The management of capital, providing loans to businesses and consumers, Lending policies and procedures, Lending to business and pricing business loans, Consumer loans, credit cards, and real estate lending, managing the future in a global market place, acquisitions and mergers in financial services management, international banking.

**Assessment Method**

The assessment method is structured to include coursework and final examination. Coursework consists of assignments, presentations and tests.

Course work assessment 30%

 Final Examination 70%

 100%

The minimum cumulative mark required to pass is 50%, is required to pass this unit. This includes course work and final examination. Each course in the programme is allowed a maximum of three hours for final examination.

**Reference Materials**

1. C. J. Van Horne(2004): *Financial Management Policy*, 12th; Delhi, Pearson Education, Inc
2. I. M. Pandey (2005): *Financial Management*, 8th edition; New Delhi, Vikas publishing house ltd.
3. Uganda Securities Exchange information releases