

Liverpool John Moores University

Title: COMMERCIAL AND INVESTMENT BANKING
Status: Definitive
Code: **6508AE** (116196)
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School
Teaching School/Faculty: Isle of Man International Business School

Team	Leader
Alex Watt	Y

Academic Level: FHEQ6
Credit Value: 24.00
Total Delivered Hours: 55.00
Total Learning Hours: 240
Private Study: 185

Delivery Options

Course typically offered: Standard Year Long

Component	Contact Hours
Lecture	26.000
Tutorial	26.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Examination	75.0	3.00
Essay	AS2	Essay (2,500 words).	25.0	

Aims

To provide students with a rigorous framework within which to examine the activities of commercial and investment banking operations within a financial institution.

Learning Outcomes

After completing the module the student should be able to:

- 1 Evaluate the major personal products and services offered by commercial banks
- 2 Evaluate the role of securities markets in personal financial planning and critically review the risk-return trade-off, the role of portfolio theory and market risk
- 3 Evaluate personal investment strategies and measure and evaluate portfolio performance and analyse insurance and pension alternatives
- 4 Critically review mortgage products and identify preferred choices in economic scenarios
- 5 Evaluate credit risk assessment methodologies and their use in corporate lending products and activities
- 6 Evaluate investment banking activities – hedge funds, syndicated lending and investment banking products
- 7 Evaluate the role of commercial and investment banks in IPOs and M&A activity
- 8 Critically review the role and nature of securitization within the banking system

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3	5	6	7	8
ESSAY	4						

Outline Syllabus

Outline of major personal finance decision areas
Introduction to the London Stock Exchange and the concept of an efficient capital market
Risk, portfolio theory and the market model
Analyse equity, bond, money market and derivative investments under a risk and return framework.
Measuring portfolio performance
Analysis of insurance and pension productions
Evaluation of mortgage repayment vehicles
Credit scoring models and evaluate their predictive power and credit risk management and reduction strategies
Corporate lending products and services
Syndicated lending
Hedge funds
Private Banking operations
Investment banking products
Investment banks and IPOs
Financing M&A activity
Securitisaton

Learning Activities

Lectures and tutorials.

References

Course Material	Book
Author	Callaghan, G, Fribbance, I and Higginson, M
Publishing Year	2007
Title	Personal Finance
Subtitle	
Edition	
Publisher	John Wiley & Sons Ltd.
ISBN	

Course Material	Book
Author	Hallam,G W and Rosenbloom, J S
Publishing Year	2009
Title	Private Wealth Management
Subtitle	
Edition	
Publisher	8th edition, McGraw-Hill Professional
ISBN	

Course Material	Book
Author	Fleuriet, M
Publishing Year	2008
Title	Investment Banking Explained
Subtitle	
Edition	
Publisher	McGraw-Hill Professional
ISBN	

Course Material	Book
Author	Black, K
Publishing Year	2008
Title	Managing a Hedge Fund: A Complete Guide to Trading
Subtitle	
Edition	
Publisher	2nd edition, McGraw-Hill Professional
ISBN	

Course Material	Book
Author	Pearce, R and Barnes, S
Publishing Year	2006
Title	Raising Venture Capital
Subtitle	
Edition	
Publisher	John Wiley & Son, London
ISBN	

Course Material	Book
Author	Coggan, P
Publishing Year	2009
Title	The Money Machine: How the City Works
Subtitle	
Edition	
Publisher	6th edition, Penguin, London
ISBN	

Notes

This module examines the role of Commercial & Investment banks in a modern and volatile banking and financial system. The nature of the services and products they offer are also examined.