1. **Prerequisite**

   Co/requisite: FINS5513

2. **Lecture Time**

   Thursday 6.00 – 9.00pm
   Biomedical Theatre F

3. **Lecturer**

   James Bartle
   QUAD 3045
   Telephone – 9385 5865
   Email: jamesbartle@ozemail.com.au

   Students should not attempt to contact me on any other number other than the above.

   Consultation time is Thursday 5.00 – 6.00pm or by appointment.

   Many students prefer consultation via Email and this has the advantage of having a full typewritten response.

   Please do not leave consultation to the last minute, as it will finish on time. Also, please be fair to other students by attempting to understand the material on a week by week basis, not just before exams. Students who attend consultation time personally will have precedence over students who telephone questions. This policy will be adhered to, particularly during exam periods.
We will also have the privilege in having Mr Harvey Yu, Credit Portfolio Analysis from the Commonwealth Bank of Australia provide a number of practical lectures.

4. Subject Description

The focus of this subject is credit risk measurement with regard to finance theory and practical applications. The course includes lending theory, credit risk measurement and modeling, analysis of lending products, and managing the loan portfolio and problem loans. Advanced topics of securitisation and credit derivatives are covered.

The approach will be toward investment decisions of financial institutions.

5. Teaching Method

This course will be taught by a combination of lectures and case studies. Readings will be set each week and students will be expected to participate in class during the lecture. It is essential that students keep up to date with assigned readings. Great emphasis is placed on group discussion at this level of study.

Case studies and exercises are used to stimulate research and individual effort. The exercises will serve to utilise readings and to prepare for upcoming work and will use the use the content of the material covered.

All administration announcements are made by Email and at lectures and will not be repeated elsewhere. Do not request this information by Email.

6. Learning Outcomes

The learning outcomes to be pursued in this subject are:

General:

- Skills of oral and written communication
- Skills of analysis, evaluation and criticism of arguments
- Skills in construction and expression of arguments
- Skills in joining judgements about the resolution of issues
Subject specific:

To develop within students:

- An understanding and appreciation of sound and practical banking practices in the areas of lending and delivery of services in modern financial institutions.
- An understanding of modern financial theory to lending theory and practice.

7. Assessment

The Assessment method will be discussed in the first lecture and adhered to for the session. The options available are take home quizzes, assignments, presentations and final exams.

Requests for Special Consideration

All requests for special consideration must be submitted to the Registrar with supporting documentation within five days of the examination or other assessment. In addition students must also submit a copy of all materials to be submitted to the Registrar to the School Office (QUAD 3101b), within the same time period.

Students are reminded that the award of the supplementary assessment is not automatic and is dependent upon the severity of the circumstances and student attendance and record during the session. Thus, students with poor performance during the session may not be awarded special consideration.

Attendance at the Supplementary Exams

As above, students should note that supplementary examinations are awarded by a Committee and only in severe extenuating circumstances and where the student has a good academic record. In the case of such awards students must be available for the supplementary exam on a date as specified by the lecturer in charge. Pre-booked vacations, other travel or business arrangements are not sufficient excuses for non-attendance. Non-attendance at the supplementary exam results in automatic failure.

PLEASE CHECK THE SUPPLEMENTARY EXAM NOTICE ON THE BANKING AND FINANCE WEBSITE.
8. **Academic Misconduct**

The following is a quotation from the University of New South Wales Academic Calendar (Summary Volume) 1993, page 195:

“Academic Misconduct

Students are reminded that the University regards academic misconduct as a very serious matter. Students found guilty of academic misconduct are usually excluded from the University for a period of 2 years. Because of the circumstances in individual cases the period of exclusion can range from one session to permanent exclusion from the University.

The following are some of the actions which have resulted in students being found guilty of academic misconduct in recent years:

1. taking unauthorized materials into an examination;
2. submitting the work for assessment knowing it to be the work of another person;
3. improperly obtaining prior knowledge of an examination paper and using that knowledge in an examination;
4. failing to acknowledge the source of material in an assignment”

All cases of academic misconduct are reported to the Head of School.

**Attendance at Classes**

Students are expected to be regular and punctual in attendance at all classes in the subject in which they are enrolled. All applications for absence from attendance of classes of any kind must be made in writing to the Registrar.

In the case of illness or of absence for some other unavoidable cause students maybe excused by the Registrar for non-attendance at classes for a period of not more than one month, or on the recommendation of the Dean of the appropriate faculty, for a longer period.

**Absence from Classes**

Explanations of absences from classes, or requests for permission to absent from forthcoming classes, should be addressed to the Registrar and, where applicable, be accompanied by a medical certificate. If examinations or other forms of assessment have been missed, this should be stated in the application.
If students attend less than eighty percent of their possible classes they may be refused final assessment.

9. **Textbooks**

The textbook for the course is:


Another helpful text is:


Lecture slides will be available on the morning of the designated lecture. Other required materials will be distributed during lectures and will not be available at any other times.
## LECTURE PROGRAM

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<td>Predicting Default Workshop (Practice examples will be issued in Week 5)</td>
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### Notes:

1. The program is subject to review, particularly given the involvement of Harvey Yu.
2. Bartle is taken from a forthcoming textbook