

POSTGRADUATE Syllabus	Master Universitario en Instituciones y Mercados Financieros
Course	Sistema Financiero Español e Internacional
Course credit (ECTS):	3
Instructor:	Prof. ROMAN ESCOLANO
Academic year:	2018/2019
Semester	1ST
Office hours:	Contactar profesor
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1.- DESCRIPCIÓN DEL CURSO Y OBJETIVOS:

El objetivo del curso es conocer el funcionamiento de los mercados financieros españoles e internacionales, su marco regulatorio y supervisor, desde el punto de vista de las instituciones, los instrumentos negociados y los distintos agentes que conforman los mercados.

2.- EVALUACIÓN:

Attendance and Class Participation:	– 5%
Assignments:	– Midterm exam (25 %) – Final work (15%) – Practical cases (10%)
Final Examination (Regular test):	– 45%

COURSE SCHEDULE

SESSION	Topic	Learning materials, recommended readings, case studies, and assignments.
1	<p>1. The Economy and the Financial Sector</p> <p>1.1. The role of the financial sector in the economy 1.2. Financial development and economic growth 1.3. Financial capacity / needing in the economy 1.4. Financial instruments 1.5. Financial institutions and financial markets 1.6. Regulatory organisms 1.7. Some data of Spain and Europe</p>	<ul style="list-style-type: none"> – Teachers’ Materials – Annual Report from the BANK OF SPAIN. – Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía.
2	<p>Regulatory Organisms of the Spanish Financial System</p> <p>2.1. Bank of Spain</p> <ul style="list-style-type: none"> – Governing bodies and structure – Functions <ul style="list-style-type: none"> ▪ Supervision ▪ Monetary policy ▪ Payment systems ▪ Public debt market ▪ Publications and Statistics <p>2.2. Comisión Nacional del Mercado de Valores (CNMV)</p> <ul style="list-style-type: none"> – Governing bodies and structure – Functions <ul style="list-style-type: none"> ▪ Primary markets ▪ Secondary markets ▪ Collective investment schemes ▪ Publications <p>2.3. Dirección General de Seguros y Planes de Pensiones (DGSP)</p> <ul style="list-style-type: none"> – Governing Bodies and Structure – Functions 	<ul style="list-style-type: none"> – Teachers’ Materials – Annual Report from the BANK OF SPAIN. – Banking Supervision Report from the BANK OF SPAIN. – Annual Report from the CNMV – Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía.
3	<p>3. Financial Intermediation and Modeling of the Banking Firm</p> <p>3.1. The financial intermediation process 3.2. Modeling of a banking firm 3.3. Types of operations</p> <ul style="list-style-type: none"> – Assets operations – Liabilities operations – Services operations <p>3.4. Results 3.5. Banking risks 3.6. Effects of the crisis in the Spanish banking sector</p>	<ul style="list-style-type: none"> – Teachers’ Materials – Annual Report from the BANK OF SPAIN. – Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía.
4	<p>Financial Markets: Issues, Negotiation and Liquidity</p> <p>4.1. Trading environment 4.2. Variable income markets 4.3. Fixed income markets 4.4. Options and futures markets 4.5. Clearing and settlement 4.6. Regulation. MiFID I and MiFID II</p>	<ul style="list-style-type: none"> – Teachers’ Materials – A  Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel

	4.7. Financial markets and firms' financing: MAB and MARF	– Report from BOLSAS Y MERCADOS ESPAÑOLES (BME)
5	The Insurance Sector 5.1. Characteristics <ul style="list-style-type: none"> – Value chain – Underwriting cycle – Balance sheet and income statement 5.2. Challenges <ul style="list-style-type: none"> – Opportunities – Restructuring – Savings in the long term – Interest rates – Regulation 5.3. Regulation: Solvency II 5.4. Relevance of the insurance sector in Spain: some data	– Teachers' Materials – Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía. – “Tendencias regulatorias financieras globales y retos para las pensiones y seguros”, WP 13/23 BBVA Research – “El mercado español de seguros”. (2016 y 2017) Servicio de Estudios de MAPFRE
6	MIDTERM EXAM	
7	Banking Regulation (I): General Aspects 6.1. Need for regulation 6.2. How banks are regulated <ul style="list-style-type: none"> – Micro-prudential vs. macro-prudential – Safety net – Deposit insurance – Bank capital regulation: main features 	– Teachers' Materials – Financial Stability Reports from the BANK OF SPAIN – Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales) – Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía.
8	Banking Regulation (II): Basel III 7.1. Basel III Accord <ul style="list-style-type: none"> – Capital ratio – Leverage ratio – Liquidity standards – Implementation and calendar 7.2. Criticisms to Basel III Accord	– Teachers' Materials – Financial Stability Reports from the BANK OF SPAIN – Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)
9	Practical Case 1: New Digital Era in the Banking Industry. 1. Digitalization of the banking industry 2. New payment methods 3. Future perspectives	– Teachers' Materials
10	Restructuring of the Spanish Banking System 8.1. Reasons for the restructuring process 8.2. Restructuring process in Spain <ul style="list-style-type: none"> – RD - Law 9/2009 – RD - Law 11/2010 – RD - Law 2/2011 – SAREB (2012) – Law 26/2013 8.3. New structure of the banking sector 8.4. European comparison	– Teachers' Materials – Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)
11	European Banking Union 9.1. Reasons for the banking union	– Teachers' Materials – Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)

	<ul style="list-style-type: none"> – Theoretical reasons – The European situation <p>9.2. Institutional elements of the banking union</p> <ul style="list-style-type: none"> – Single Supervisory Mechanism – Single Resolution Mechanism – Safety Net – Single Deposit Insurance System – Single Rulebook <p>9.3. Current situation</p>	Ed.), AFI (Analistas Financieros Internacionales)
12	<p>Case 2: Monetary Policy</p> <p>1. Strategies before, during, and after the crisis</p> <p>2. EU vs US</p> <p>3. Current situation and future trends</p>	– Teachers’ Materials
13	<p>International Financial Crisis: Causes and Systemic Risk (I)</p> <p>10.1. Why do banking crises exist?</p> <p>10.2. Key elements of the Global Financial Crisis (2007/2008): Systemic risk</p> <ul style="list-style-type: none"> – Similarities to previous crises – Specific features <p>10.3. Effects and costs of banking crises</p> <p>10.4. Lessons from the Global Financial Crisis (2007/2008)</p>	<p>– Teachers’ Materials</p> <p>– Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)</p> <p>– Financial Stability Reports from the BANK OF SPAIN</p>
14	<p>International Financial Crisis: Causes and Systemic Risk (II)</p> <p>10.1. Why do banking crises exist?</p> <p>10.2. Key elements of the Global Financial Crisis (2007/2008): Systemic risk</p> <ul style="list-style-type: none"> – Similarities to previous crises – Specific features <p>10.3. Effects and costs of banking crises</p> <p>10.4. Lessons from the Global Financial Crisis (2007/2008)</p>	<p>– Teachers’ Materials</p> <p>– Teachers’ Materials</p> <p>– Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)</p> <p>– Financial Stability Reports from the BANK OF SPAIN</p>
15	PRESENTATIONS OF FINAL WORKS AND REVIEW SESSION	

Required text and materials:	<p>Guía del Sistema Financiero Español (7ª Ed.), AFI (Analistas Financieros Internacionales)</p> <p>Manual de Sistema Financiero Español (26ª Ed.), A. CALVO, J. A. PAREJO, L. RODRÍGUEZ y Á. CUERVO. Ariel Economía.</p>
Recommended Texts:	