

Investment Banking (Optional)

1. Subject Overview and Objective

Investment banking is the key financial service provided to facilitate financial markets and investments and has been evolving mostly alongside the banking business. Investment banks operate within banking groups or other business/financial groups. Financial markets have been developed and are largely driven by investment banks. These investment banks serve both corporate and individual investors in handling their investments, corporate finance, business restructuring and financial management consultancy. Further, investment banks have been pioneers in financial engineering profession which has been introducing numerous innovative and complex financial products to markets world over. Emerging markets also need investment banking business to develop their financial markets in order to facilitate economic growth. However, investment banks are also blamed for financial market crises due to their complex nature of financial products and a new discipline of investment banking separated from retail banking is now being introduced. Therefore, this subject is designed to provide knowledge on major areas of standard investment banking and its new trends to assist banking and financial professionals to start specializing in investment banking business.

II. Recommended Subject Coverage

- (a) Evolution of investment banking business
- (b) Issue management: Equities and debt securities
- (c) Structuring of securities
- (d) Asset Securitization
- (e) Underwriting of securities issues
- (f) Corporate finance services: Loan syndication and arranging leverage buyouts
- (g) Investment advice
- (h) Financial brokering
- (i) Proprietary trading
- (j) Mergers and acquisition services: Due diligence studies, valuation, advice, arrangement and financing
- (k) Wealth management
- (l) Fund Management
- (m) Restructuring and recapitalization of troubled companies
- (n) Investment research and securities analyses
- (o) Project appraisal