

DO NOT REMOVE THE QUESTION PAPER FROM THE EXAMINATION HALL

UNIVERSITY OF LONDON

CENTRE FOR FINANCIAL AND MANAGEMENT STUDIES

MSc Examination

Postgraduate Diploma Examination

for External Students

91DFMC366

91DFMM66

FINANCE (BANKING)

FINANCE (FINANCIAL SECTOR MANAGEMENT)

Banking Strategy

Specimen Examination

*This is a specimen examination paper designed to show you the type of examination you will have at the end of the year for **Banking Strategy**. The number of questions and the structure of the examination will be the same but the wording and the requirements of each question will be different. Best wishes for success in your final examination.*

The examination must be completed in **THREE** hours.

Answer **THREE** questions in total. The examiners give equal weight to each question; therefore, you are advised to distribute your time approximately equally between three questions.

PLEASE TURN OVER

Answer **THREE** questions.

1. Referring to specific cases, explain the potential role of failings in corporate governance and incentive schemes in leading to excessive levels of risk in the financial system.
2. By reference to specific cases, explain the main strategic drivers of structural change in global banking.
3. Explain, using relevant examples, the use of the Client-Arena-Product (C-A-P) model in analysing banks' strategic decisions.
4. Explain the evolution of bank funding models before, during and after the financial crisis of 2007–09. (Illustrate your answer with relevant practical examples.)
5. By reference to specific cases, critically analyse the rationale for banks' merger and acquisition transactions.
6. Discuss the key lessons that banks' senior management should draw from failures of risk management, illustrating your answer with specific examples.
7. Evaluate critically the failings in business strategy and execution that have given rise to problems at individual banks. You should draw on specific cases.
8. Analyse the effects of changes in bank regulation following the financial crisis of 2007–09.

[END OF EXAMINATION]