

Course Syllabus – Money, Banking and Financial Markets FRE-6031

David C. Shimko, Industry Full Professor of Financial Engineering
Spring Semester 2019, Second Half

Instructor email: david.shimko@nyu.edu
Office: Room 271, 12 Metrotech, 26th Floor
Office hours: By email appointment
Grading assistant: JP Delavin (jp.delavin@nyu.edu)
Class meets: Thursdays 5:30-8:11 p.m.
4/3/19 – 5/21/19
12 MTC Rm 262

Course description:

FRE 6031 introduces financial engineers to the institutional environment that supports financial activity in modern economies. This includes banks, investment banks, funds, insurance companies, exchanges and fintech firms. The course touches on historical and current aspects of these institutions, focusing on the functions they perform and the problems they solve. Students who successfully complete this course will have a strong sense of how financial institutions inter-operate with an appreciation for the opportunity and threats of change to come.

This is not a quantitative course, so emphasis is placed on reading, study, communication and presentation.

Instructor information:



Prof David C. Shimko

Resume in brief:

- Assistant Professor, Marshall School, USC
- Adjunct Professor, Harvard Business School
- Adjunct Professor, NYU Courant
- Head of Commodity Derivatives Research, JPMorgan
- Head of Credit Research, JPMorgan
- Head of Risk Management Advisory, Bankers Trust
- CEO and co-founder of Risk Capital, an independent risk advisory firm
- CEO and co-founder of CreditCircle, a marketplace lending platform
- Director of public, private and non-profit entities including GARP
- Widely published in derivatives valuation, risk management, commodities and credit

Class organization:

Required texts: Financial Institutions, Markets and Money, 12th Edition, by Kidwell, Blackwell, Whidbee and Sias. Other readings and cases will be provided by the instructor.

NYU Classes: Please follow the course requirements online weekly, as they are likely to change as the term progresses.

Course grading: There will be a 15-minute presentation on the last day of class, and a final exam lasting one hour. Your final score is based on a qualitative assessment including the project, the exam, and classroom participation. You will be called on in class to answer questions covering material in the text. Missed classes, even if notified in advance, will likely hurt your participation score.

Office hours: After class as needed, or by appointment on the 26th Floor of 12 Metrotech.

NYU Class Prerequisites: None for FRE students

Class outline, subject to minor revisions:

Week 1	The Financial System (Chapters 1-3 of KBWS)
2	Fixed Income Markets (Chapter 7-9 of KBWS)
3	Equity, Derivatives, Foreign Exchange and Commodities (Chapters 10-12 of KBWS)
4	Commercial and International Banking (Chapters 13-14 of KBWS)
5	Bank Regulation and Insurance Companies (Chapters 15 and 17 of KBWS)
6	Investment Banks and Funds (Chapters 18 and 19 of KBWS)
7	Student Fintech Presentations