AD-477 FINAL EXAM BOĞAZİÇİ UNIVERSITY 05 DECEMBER 2018

Q (1) (30 marks) Using the following Bank Trial Balance as of 31.12.2017 and for the year ending 2017, prepare the Balance Sheet of the “Sample Bank”. All balances are in millions of TL.

1. Cash 10
2. Deposits 700
3. Due from banks 50
4. Interbank Borrowing 70
5. Loans 800
6. Bank Borrowings 80
7. Government Bonds 100
8. Treasury Bills 150
9. Syndications Loans Obtained 150
10. Share Capital 100
11. Legal Reserves 5
12. Fixed Assets 90
13. Retained Earnings 70
14. Interest Income 85
15. Interest Expense 50
16. Other Assets 20
17. Bonds Issued by the Bank 30
18. Net Income 15
19. Personnel Expenses 45
20. Commission Income 35

Q (2) (35 marks) Explain in detail the 7 CAMELS-O Banking Risks

Q (3) (35 marks) Explain the following banking terms:

1. Indemnification of L/G
2. Loan Approval Committee
3. Funding Liquidity Risk
4. Positive Interest Sensitivity GAP Position
5. Acquiring Bank
6. Issuing Bank
7. Dollar Short Position