BİLGİ ÜNİVERSİTESİ BUS 442 BÜTÜNLEME EXAM June 2018

Q(1) (25 marks) Explain in detail 6 different types of Interest Risks banks have to manage.

Q(2) (25 marks) Explain in detail the Base II Capital Adequacy Requirement & its Ratio.

Q(3) (25 marks) Explain in detail what a bank should do in order to minimize its NPL (Non-Performing Loans)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Risk weights | Amount of exposure |  |  |  |
| 0% | 50.477.279 |  |  |  |
| 20% | 2.017.166 |  | Total Capital | 30.410.851 |
| 50% | 30.641.752 |  | Value at market risk | 4.147.550 |
| 75% | 22.721.765 |  | Value at operational risk | 14.905.738 |
| 100% | 111.422.758 |  | High quality liquid assets | 40.208.564 |
| 150% | 8.591.403 |  | Total cash inflows in 1 month | 29.180.943 |
| 200% | 14.862.974 |  | Total cash outflows in 1 month | 57.106.129 |
| 250% | 1.026.195 |  |  |  |

Q(4) (25 marks) The given numbers on the tables below are presented in the Financial Report of Akbank TAŞ for the year ended 31 December 2015. The amounts on the first table are related with credit risk and remaining necessary information is given on the second table (All numbers are in thousands of TL.)

1. Calculate the capital adequacy and liquidity coverage ratios of the bank for given year.
2. Evaluate your answer to part a, with respect to;

* Basel III capital adequacy criteria,
* Minimum capital requirements for banks in Turkey,
* Basel III liquidity coverage criteria.