

# **Annexure 19**

**CERTIFIED INVESTMENT BANKER (CIB) CIIB  
(CERTIFICATE IN INVESTMENT BANKING)**

**Both in India and abroad**

# Curriculum

## Introduction to Financial Markets

The module helps understand the nuances of financial markets and financial products. Learners will gain an appreciation for how the system has been designed intricately to induce liquidity in the economy and support businesses.

## What Will You Achieve?

### Understand the Financial Market Landscape

Typical elements of the Financial Market  
Insight into different Financial Instruments

## Topics

**Introduction to Investment Banking**

**Introduction to Financial Systems**  
**Types of Financial Markets**

**Cash Equities and Fixed Income**

**Equity & Preference Shares**  
**Depository Receipts**  
**Primary & Secondary Markets**  
**Stock Exchanges & Financial Centres**  
**Bonds –Characteristics, Securitization & Types**  
**Interest, Bond Price and Yield**  
**Yield to Maturity**

**Foreign Exchange and Money Markets**

## **Forex & Features of Forex**

### **Market Participants**

### **Quotes and Trades**

### **Forex Future & Options**

## **Money Market Basics**

### **Instruments of Money Market**

### **Difference between Capital & Money Markets**

## **Derivatives Markets**

### **Introduction to Derivatives**

### **Exchange Traded and Over the Counter Derivatives**

### **Forwards, Futures and Options**

### **Payoffs and Pricing**

### **Swaps and Types – Equity, Interest Rate & Forex**

### **Hedging & Speculation**

### **Credit Default Swap and Credit Events**

## **Job Readiness**

### **Communication Skills**

### **Resume-building**

### **Interview Preparation**

## **Trade Life Cycle**

**The module introduces the learner the various processes followed in the IB operation space. Concepts like Trade Life Cycle, Reconciliation etc are introduced in depth.**

**What Will You Achieve?**

**Fundamentals of Trade-Life-Cycle**

**Understand frameworks associated with KYC and anti-money laundering**

**Processes involved in Settlement & Reconciliation**

**Topics**

**Reference Data Management**

**Introduction & Role**

**Static Data & Dynamic Data**

**Securities Identification**

**Corporate Actions**

**Role & Purpose of Corporate Action**

**Types of Corporate Action**

**Corporate Action Life**

**Asset Management**

**What is Asset Management**

**Structure of Mutual Funds & Hedge Funds**

**Roles & Activities**

**Reconciliation**

**Definition & Types**

**Role in the Trade Life Cycle  
Process, Risk & Integrity Framework**

**Introduction to ISDA**

**Role of ISDA**

**Architecture & Hierarchy**

**ISDA Master Agreement**

**Stock, Borrow & Lending**

**Basics of Stock, Borrow & Lending**

**Participants & Securities Traded**

**Advantage & Disadvantages**

**Collateral Management**

**Fundamentals of Collateral**

**Participants, Process & Risk Management**

**Advantages & Disadvantages**

**Trade Life Cycle**

**Introduction to TLC**

**Exchange Product TLC**

**OTC Product TLC**

## **Risk Management**

**The module will revolve around the regulatory framework for Financial Markets and gives a birds view of various regulations that were introduced post 2008 Sub Prime Mortgage crisis to ensure efficiency, transparency in the markets.**

### **What Will You Achieve?**

**Understanding regulatory frameworks applicable in Investment Banking domain  
Implications of Regulatory Framework in Investment Banking Operations**

## **Fundamentals of Risk Management**

### **Topics**

#### **Risk Management & Regulatory Environment**

**Introduction to Risk  
Market Risk & Credit Risk  
Liquidity Risk**

**Anti-Money Laundering & KYC  
Introduction to AML  
Introduction to KYC Norms  
Case Studies in Money**

#### **Job Readiness**

**Interview Preparation - Domain**  
**Interview Preparation - HR**

**Final Mock Interview**

**Final Certification Exam**

## **INTERNATIONAL**

### **Investment Banking – Course Syllabus**

#### **Investment Banking**

**Prof. Frederick C. Militello, Jr.**

**Department of Finance**

#### **Course Description**

**This course delves into the structure, management and practices of investment banking (IB)—**

**from larger more universal players to boutique operations. It covers the business activities of**

**mergers and acquisitions, financing and investment; and, the creation of value through financial**

**advisory services. It looks into the business practices of private equity, hedge funds and trading**

**operations; and, the role of each in facilitating investment, the deployment of capital and the**

**changing face of risk-taking activities. The course emphasizes the role of the IB financial**

**advisor and his/her importance in securing and facilitating IB business opportunities. This**

**course is about the businesses of investment banking.**

**Some of the “bigger” questions this course addresses are:**

**□ What does it mean to be—or take to become—a “player” in this business?**

**□ How do IB businesses actually add value for their customers—and, make money for**

**their employees, partners and shareholders?**

**□ What synergies and conflicts exist across the various IB business lines and practices;**

**and, how are they addressed?**

**□ How can IB’s and related businesses regain/retain their respect and brand recognition in**

**the market—bringing to the forefront the status of “trusted” financial advisor?**

**□ What’s the future for the IB industry and what role can you play in that future either as**

**a practitioner or client?**

**Importantly, through our class discussions and case-study work—each student will bring the**

**answers to these questions into personal focus. Students are exposed to both the diagnostic**

**and prescriptive processes of IB allowing them to partake in the financial advisory process; and,**

**understand what it means to be an IB practitioner or valued client.**

**Course Outline**

**Investment Banking – Course Syllabus**



## **Class One**

### **The World of Investment Banking (IB)**

**This first class explores the business of investment banking (IB) from both a historic and current**

**perspective. It highlights the forces that have transformed the business to what it is today—and**

**what it is becoming. It utilizes examples from the industry discussing different strategies and**

**approaches to the business as well as delineating those performance indicators that are crucial**

**to assessing the success or failure of the industry. Topics to be discussed<sup>1</sup>**

**include:**

**The evolution of investment banking—a journey of both form and substance**

**Today's major players—their reach and performance**

**The culture and organizational structure of investment banks—the changing face of**

**leadership, risk management, professional behaviors and organizational values**

**The structure of investment banks—public versus private, universal versus boutique, the**

**road to the top—vice presidents, managing directors and partners—and the accolades**

**of success**

**Employment opportunities in investment banks—what investment bankers actually do**

**to add value and receive the recognition and rewards that they do**

### **Assignments**

**Please Read: Chapters 1-5**

## **Class Two**

### **The IB Customer and Investment Banking**

**Being a financial advisor in the investment banking business requires a combination of the right skills and behaviors. Together, these comprise the competencies of the financial advisor. This**

**second class takes a client needs perspective and provides a framework for both the diagnosis**

**of client financial needs and their relevant IB solutions. This advisory overlay is used throughout**

**the course. This class covers:**

**□ The role of the IB financial advisor/advisory business—a journey to the top of Maslow's**

**pyramid**

**□ How to present value to the client—and get paid for it**

**□ Understanding client needs—an IB diagnostic approach**

**□ Investment banking product and solutions as a spectrum of risk/return and/ or**

**flexibility/cost alternatives—an IB prescriptive approach**

**□ Tools for aligning client needs with IB financial solutions (IB advisory tool box)**

**□ Developing an IB “pitch” book/framework**

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**On the first class we will also discuss the syllabus, course requirements and expectations.**

**Investment Banking – Course Syllabus**

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- **Becoming the best IB financial advisor one can possibly be—a journey of behavioral and skillful competencies**

### **Assignments**

**Taking the role/perspective of an IB financial advisor,**

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**please prepare and be ready to discuss:**

**Case “Hill Country Snack Foods Co.”**

### **Class Three**

#### **The IB Business of Equities**

- **Unfinished business—continued discussion on the IB customer and investment banking**
- **The investment banker’s perspective of the equity business**
- **Equity underwriting—key players and what they do to remain so**
- **IPO’s and follow-on issues**
- **Secondary trading and business synergies—a look at the equity-business and the value**

**the investment bank brings to the table**

- **The role of venture capital and private equity firms—their evolution, structure,**

**participants and investment objectives**

- **Private equity exit strategies**

### **Assignments**

**Please read: Chapters 6, 8 and 11**

### **Class Four**

#### **The IB Business of Equities (Continued)**

- **Unfinished business—continued discussion on equities**

### **Assignments**

**Taking the role/perspective of an IB financial advisor, please prepare and be ready to discuss:**

**Case “Prada: To IPO or not to IPO, that is the Question Again”**

**Class Five**

**The IB Business of Debt/Fixed Income**

- The investment banker’s perspective on the fixed-income business**
- The spectrum of debt alternatives**

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**In the second session of the course an IB advisory framework will be provided. This framework (including various**

**tools) will be built upon as the course progresses and should be applied to the case work/class discussions**

**accordingly. Assignments for each case/class will be posted to NYU Classes.**

**Investment Banking – Course Syllabus**

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- Issuance approaches and procedures**
- Secondary trading and business synergies—a look at each and the value the investment bank brings to the table**
- Shelf registrations and other regulatory considerations**
- The business of asset securitizations**
- The role of the credit rating agencies**
- High-yield debt and financial leverage**
- Leveraged recapitalizations—more than a financial transaction?**

**Assignments**

**Please read: Chapters 9 and 10**

## **Class Six**

### **The IB Business of Debt/Fixed Income (Continued)**

- Unfinished business—continued discussion on debt/fixed income**

### **Assignments**

**Taking the role/perspective of an IB financial advisor, please prepare and be ready to discuss:**

### **Case “Sealed-Air’s Leveraged Re-capitalization—A & B**

### **Mid-term Examination**

## **Class Seven**

### **The IB Business of Trading/Derivatives**

- The evolution of trading**
- The structure of the business—brokers, traders and the sales (advisory) desks**
- Market-makers, hedge funds and speculators**
- Types of trading—customer and proprietary trading**
- The role of hedge funds—trading styles**
- Liquidity and the secondary markets**
- How traders make money—spreads, positions, speculation, arbitrage and market**

### **manipulation**

- Risk-monitoring and control—the Whale of London, insider-information, “unauthorized trades” and those “rogue traders”**

### **Assignments**

**Please read: Chapters 12-16**

## **Investment Banking – Course Syllabus**

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## **Class Eight**

## **The IB Business of Trading/Derivatives (Continued)**

- Securities regulation and ethics**
- Unfinished business—continued discussion on trading**

### **Assignments**

**Please prepare and be ready to discuss:**

**Case “JP Morgan: Lessons Learned”**

**Case “Was Insider Trading Ahead of Takeovers a Problem?”**

### **Class Nine**

#### **The Business of Mergers and Acquisitions**

- Investment bankers—The CEO as the client**
- The business of M&A—restructuring the business portfolio of the client**
- The M&A value chain—the “buy” and “sell” sides of the equation**
- The theory and practice of M&A—creating value: managing business asset portfolios**

#### **and capital structure**

- Equity separations—spin-offs, split-offs, carve-outs**
- Private-equity driven deals—structures and expectations**
- The growing influence of activist investors**
- Strategic investment driven deals—structures and expectations**
- The valuation, pricing, and fee structure of M&A deals**
- Financing and exit strategies—monetizing value through financial strategies**

### **Assignments**

**Please read: Chapter 7**

### **Class Ten**

#### **The Business of M&A (Continued)**

- **Unfinished business—continued discussion on the business of M&A**

### **Assignments**

**Taking the role/perspective of an IB financial advisor, please prepare and be ready to discuss:**

**Case “Transforming Tommy Hilfiger A & B”**

### **Class Eleven**

**The IB Wealth Management Business**

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- **The IB advisory function—building a wealth management business platform**
- **Doing well by doing good—reflecting on alternatives to build wealth**
- **The heart of the client—his/her business**
- **Confronting the forces of business change**
- **The business attributes of wealth management—business and ownership life-cycles, getting “personal” while staying professional**
- **Maslow’s pyramid—a framework for assessing wealth management needs**
- **The investment profiles of wealth management customers**
- **Wealth management business synergies—cross-selling opportunities**
- **The product set of wealth management solutions**

### **Assignments**

**Please read: Chapter 15**

**Case: To be posted to NYU Classes**

**Time Permitting**

## **The Future of the Businesses of Investment Banking**

- IB in developed markets**
- IB in “emerging” markets**

### **Assignment**

**Please read: Chapters 17-19**

### **Class Twelve**

### **Final Examination**

### **Course Information**

#### **Course Prerequisites**

**Any concerns should be discussed with the professor. This course can be taken concurrently,**

**before or after Global Banking and Capital Markets.**

#### **Logistics and Pedagogy**

**The course is conducted over twelve classes. Appointments are always possible and**

**encouraged—please contact [fmilitel@stern.nyu.edu](mailto:fmilitel@stern.nyu.edu).**

**The course is discussion and case-oriented, and accordingly emphasizes classroom and casestudy participation; requiring students to apply principles developed in class to actual**

**investment banking challenges and opportunities. The course does not involve routine lectures**

#### **Investment Banking – Course Syllabus**

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**on material presented in the readings; however, all assigned readings and case preparations**

**should be completed prior to the class for which they are assigned.**

**There is a course packet available through the bookstore—including the course case work.**

#### **Required Text Book**



**For this course we will use *The Business of Investment Banking: A Comprehensive Overview***

**written by K. Thomas Liaw (third edition, Wiley 2012). The text will be supplemented by**

**additional readings (posted to NYU Classes) as well as by a case packet. Both the text and case**

**packet are available through the NYU professional bookstore.**

**Mid-term Examination—to be discussed**

**Final Examination—to be discussed**

**Grading Guidelines—to be discussed**

**Case work preparation/class participation 30%**

**Mid-term examination 30%**

**Final Examination 40%**

**Professor**

**Frederick C. Militello, Jr., works with top corporate and investment banking leaders and**

**business strategists in a wide-range of organizational and change initiatives. These include**

**enterprise and global market strategies—covering both corporate and investment banking. He**

**has also developed and facilitated financial policies and strategies for many of the world's**

**leading corporations; including M&A integration assignments for some of the largest companies**

**in the world.**

**He is a GBS professor of finance at New York University's Leonard N. Stern School of Business.**

**He teaches both Global Banking and Capital Markets; and, Investment Banking. He has been**

**teaching at Stern since 1990.**

**For three decades, he has been a leading practitioner and thought leader to bankers and**

**financial executives around the world. Specifically:**

□ **He has held numerous senior executive positions such as vice president, division**

**executive and managing director for the Chase Manhattan Bank responsible for their**

**global corporate consulting, financial advisory services and merchant banking**

**activities out of New York and London. At the bank he worked closely with both**

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**corporate and external investment bankers to construct leading-edge financial**

**transactions and business approaches that were fundamental to the transformation of**

**banking and the capital markets.**

□ **Both as a banker and independent advisor, over the years, his corporate clients have**

**included some of the world's largest corporations including Apple Computer,**

**McDonald's, Monsanto, Sandoz, Gillette, etc., and well-known financial organizations**

**around the globe—both in developed and emerging markets.**

□ **He has worked his way through Wall-Street holding financial positions for US Steel**

**Corporation, Mobil Oil Corporation, the Bank of Boston International and the**

**American Stock Exchange. Starting at the bottom—as a “messenger,” clearing-house**

**“runner,” and foreign exchange position clerk—he moved-up through the ranks to**

**senior management positions for both corporate and international banking**

**departments. He also was employed by Business International Corporation (acquired**

**by the Economist Intelligence Unit) where he started one of the first financial**

**publications for senior financial executives; namely, Business International Money**

**Report.**

**□ He has been founder and co-owner of two Wall Street-based financial/educational**

**advisory practices with an emphasis on corporate and investment banking—**

**organizational structure, business and product line development and a wide-range of**

**senior leadership issues and challenges. In the capacity of a senior thought leader**

**thousands of bankers attended his seminars and workshops on both technical and**

**behavioral competencies.**

**Frederick has written books in the fields of finance and banking including:**

- . Leverage Competencies: What Financial Executives Need to Lead;**
- . The Empowered Organization: Redefining the Roles and Practices of Finance;**
- . Integrity-Based Financial Leadership and Ethical Behavior;**

**. Reassessing Corporate Banking Relationships: Issues, Practices and New Directions;**

**. Foreign Exchange Risk Management: A Survey of Corporate Practices.**

**He has just completed a professional paper (to be published in 2014) by the Journal of Financial**

**Perspectives: namely, “The Unintended Consequences of Regulations: Lessons learned from the**

**Banking and Alternative Asset Management Businesses.”**

**He has been a speaker and Chair Person for educational organizations including the Belgian American Chamber of Commerce, Management Centre Europe, the American Management**

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**Association and a guest professor at the Rotterdam School of Management and the Vlerick**

**Gent Leuven School of Management.**

**As a scholar he was awarded the Wall Street Journal Student Achievement Award in Economics.**

**Educated in New York, Frederick studied at Pace and Columbia Universities earning advanced**

**degrees in economics and international economics.**

**He has sat on boards for numerous not-for-profit organizations such as the Children’s Media**

**Project and the Durham Historic Preservation Commission (Chair).**

**He has been an investor and**

**board member for numerous start-up companies. He is married, has three daughters, two**

**grandchildren and lives on their family-run horse farm. He has a passion for cooking and is a**

**graduate of the Culinary Institute of America—Boot Camp Program.**

**THANK YOU**

**BE WISE, BE RICH**

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