

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT: ECONOMICS

PROGRAMME: MSC ECONOMICS

COURSE CODE MEC537 Advanced Strategic Banking

DURATION: 3 HOURS

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

1. This paper carries six questions
2. Answer any four (4) questions.
3. All questions carry 25 marks.
4. Cellphones are not allowed in the examination room.

 JUN 2023

QUESTION 1

(25 marks)

- (i). Explain the concept of blockchain and how it has revolutionized the way transactions are conducted in the digital world. (10 marks)
- (ii). Discuss the advantages and limitations of blockchain technology and its potential applications in the financial services industry. (15 marks)

QUESTION 2

(25 marks)

- (i). How can banks effectively market their products and services to customers in a highly competitive environment? (8)
- (ii). Discuss the importance of understanding customer needs and preferences, segmenting the market, and developing targeted marketing campaigns. (9 marks)
- (iii). Provide examples of successful marketing campaigns used by banks to attract and retain customers. (8 marks)

QUESTION 3**(25 marks)**

- (i). Explain the importance of risk management in the banking industry and the various types of risks that banks face. [10 marks]
- (ii). Discuss the key components of a comprehensive risk management framework and how they can be used to mitigate risks in the banking sector. [15 marks]

QUESTION 4**(25 marks)**

The Basel Accords have been developed by the Basel Committee on Banking Supervision to establish minimum capital requirements and risk management standards for banks worldwide.

- (i). What are some of the key components of the Basel III Accord, and how have they affected the banking industry? [10 marks]
- (i). How have banks responded to the increased regulatory scrutiny and compliance requirements of the Basel III Accord? [10 marks]
- (iii). How does the key principles of the Basel III Accord differ from previous Basel Accords. [5 marks]

QUESTION 5**(25 marks)**

- (i). Explain the significance of financial analysis for banking institutions. [10 marks]
- (ii). Describe the various tools and techniques used in financial analysis, and highlight their application in assessing the financial health of a bank. [15 marks]

QUESTION 6**(25 marks)**

- (i). How can a bank's culture impact its governance and ethical practices?(10)
- (ii). Discuss the relationship between a bank's culture and its risk management practices, and provide examples of how a strong culture of ethics can help prevent unethical behavior and mitigate risks within a bank. (15)

END OF PAPER