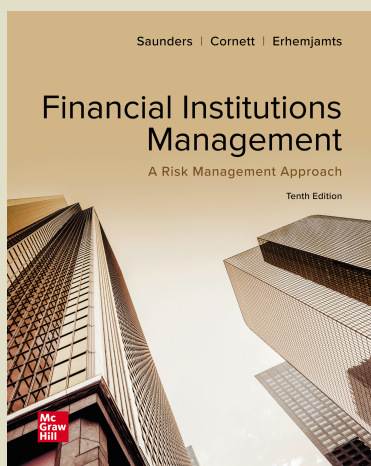


List of Changes



Financial Institutions Management: A Risk Management Approach 10th Edition

Saunders, Cornett, Erhemjamts

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Saunders and Cornett's *Financial Institutions Management: A Risk Management Approach* provides an innovative approach that focuses on managing return and risk in modern financial institutions. The central theme is that the risks faced by financial institutions managers and the methods and markets through which these risks are managed are becoming increasingly similar whether an institution is chartered as a commercial bank, a savings bank, an investment bank, or an insurance company. Although the traditional nature of each sector's product activity is analyzed, a greater emphasis is placed on new areas of activities such as asset securitization, off-balance-sheet banking, and international banking.

SEE LIST OF CHANGES ATTACHED.

Changes to Saunders: Financial Institutions Management, 10e

Each chapter in this edition has been revised thoroughly to reflect the most up-to-date information available. End-of-chapter questions and problem material have also been expanded and updated to provide a complete selection of testing material.

The following are some of the new features of this revision:

- A discussion of the rise of fintech firms has been added to Chapters 1, 2, and 7.
- Chapter 2 includes discussions of the revised Volcker Rule as well as the impact of Brexit on foreign banks.
- Chapter 4 includes new discussions on global IPOs, as well as transitions from LIBOR to SOFR.
- Chapter 6 includes a new discussion on catastrophe bonds and insured losses from severe weather events.
- Updates on the major changes proposed for the regulation of financial institutions are included where appropriate throughout the book.
- Chapters 8 and 9 discuss the Fed's debate and decision to increase interest rates since 2015.
- Chapter 10 includes a discussion of the rise of student loan defaults.
- Chapter 13 includes a discussion of the foreign exchange crisis in Turkey. The Big Mac index used to measure purchasing power parity has also been added to the chapter.
- Chapter 14 has an added discussion on Venezuela's hyperinflation crisis.
- Chapter 15 has a new detailed discussion on the revised standardized approach for market risk.
- Chapter 18 is an entirely new chapter which discusses the evolution on fintech, changing relationship between banks and fintechs, the types of fintech innovations (e.g., mobile wallets, peer-to-peer payments, digital currencies, business-to-business payments, digital exchange platforms, blockchain, artificial intelligence, machine learning, Internet of things, crowdfunding, lending marketplaces, high-frequency trading, robo-advice), and regulatory approaches to fintech.
- Chapter 21 has significant updates including a new section on the 2017 Basel III reforms, which includes discussions on the standardized approach for credit risk, operational risk framework, leverage ratio framework, and output floor.
- Many tables and figures in all chapters have been revised to include the most recently available data.
- Many EOC problems have been revised or updated.

We have retained and updated these features:

- The risk approach of Financial Institutions Management has been retained, keeping the first section of the text as an introduction and the last two sections as a risk measurement and risk management summary, respectively.
- We again present a detailed look at what is new in each of the different sectors of the financial institutions industry in the first six chapters of the text. We have highlighted the continued international coverage with a global issues icon throughout the text.
- Chapter 17 includes material on electronic technology and the Internet's impact on financial services. Technological changes occurring over the last two decades have changed the way financial institutions offer services to customers, both domestically and overseas. The effect of technology is also referenced in other chapters where relevant.
- Coverage of credit risk models (including newer models, such as Moody's Analytics, CreditMetrics, and CreditRisk+) remains in the text.
- Coverage in the Product and Geographic Expansion chapter explores the increased inroads of banks into the insurance field, the move toward nationwide banking (in the United States), and the rapid growth of foreign banks and other intermediaries in the United States.
- Numerous highlighted in-chapter Examples remain in the chapters.

Changes to Saunders: Financial Institutions Management, 10e

- Internet references remain throughout each chapter and Internet questions are found after the end-of-chapter questions.
- An extensive problem set, including web exercises, can be found at the end of each chapter that allows students to practice a variety of skills using the same data or set of circumstances.