

**UNIVERSITY OF PENNSYLVANIA
The Wharton School**

TENTATIVE SYLLABUS

FNCE 897: FINANCE IN THE MIDDLE EAST & NORTH AFRICA

Abu Dhabi, CERT at the Higher College of Technology, December 30-31, 2012
Dubai, DIFC Centre of Excellence; Gate Village Building 2, Floor 2, January 2, 2012

Professor Nihat Bülent Gültekin, Finance Department
Professor Michael J. T. McMillen, Penn Law School

Spring 2013

Email: gultekin@wharton.upenn.edu

Course Objective

This is a Wharton Global Modular Course on finance in the Middle East and North Africa. Its objective is to bring students, academics and industry experts together to study financial markets, practice, and institutions in this region.

Course Content

The course will primarily examine following areas:

1. Current Challenges in the Middle East
2. Political Economy of Middle East
3. Financial Markets and Institutions in the Region
4. Sovereign Wealth Funds
5. Alternative Investments
6. Islamic Finance

We will cover the above topics by studying practice and transactions in the region with a comparison to USA and rest of the world.

This is a half unit course and it is designed for Wharton MBAs and undergrads.

Course Format

This course will be taught through cases and lectures.

Guest Lecturers

Distinguished practitioners will lecture and conduct case discussions. Our guest lecturers will bring their experience and insights to the classroom.

Grades

This course will be graded on our regular scale or on a pass or fail basis. Your final grade will be based on:

- a. Attendance and class participation (20%)
- b. Course project (80%)

a. Class Attendance and Class Participation

Lecturers in this seminar are experienced senior managers of major financial institutions. You will learn directly from their experiences. You are expected to attend every session and engage in class discussions.

Course Project

You need to prepare a project for the course as an individual or as a team another student. The course project is an active learning tool and allows you to apply many concepts that you have learned at the Wharton School to the issues in the region. As such, this course is more like an independent study and most of the learning will come from the preparation of the course project. We will give you further information about the course project, required deliverables and the deadlines during the course delivery.

Course Materials

a. Textbook

The Arab Economies in a Changing World, Marcus Noland and Howard Pack, Peterson Institute of International economics, 2nd edition, 2011.

b. Reading Assignments

Readings assignments are shown on the last section of the Syllabus. Course readings and references will be on Canvas. You should read the textbook before the first day.

c. Canvas

The course site will contain optional and relevant reading materials as well as some reference materials. You can also find other course information such as case questions and exhibits, lecture notes and handouts distributed in class, and relevant news articles as well as the most up to date information about the course. All announcements for the course will be on Canvas. As the course progresses, I will add additional reading materials that will be related to the various stages of your course project.

Course Venue

Course will be held in Abu Dhabi and Dubai in the following locations:

CERT Technology Park
Higher College of Technology
Muroor Raod, Abu Dhabi, UAE

Dubai International Financial Centre Authority (DIFC)
Dubai, UAE

SUNDAY, DECEMBER 30 - ABU DHABI

09:00 - 12:30 MACRO ECONOMIC AND POLITICAL ENVIRONMENT IN THE MENA REGION

09:00 - 09:15 COURSE OVERVIEW:

Bülent Gültekin

09:15 - 10:30 MACRO ECONOMIC SCENE IN THE GCC:

Dr. Gıyas Gökkent, Chief Economist National Bank of Abu Dhabi

10:30 - 10:45 COFFEE BREAK

10:45 - 12:30 VIEW FROM THE GOVERNMENT OF ABU DHABI:

H. E Fahad Al Raqbani, Director General at Abu Dhabi Council for Economic Development

12:30 - 14:00 LUNCH

Political Scene in the MENA Region:

Hassan Fattah, Editor-in-Chief, *The National*

14:00 – 17:00 FINANCIAL MARKETS AND INSTITUTIONS

14:00 - 15:30 SOVEREIGN WEALTH FUNDS:

Mark Nicholas Cutis, Chief Investment Officer of Global Special Situations, ADIC

15:30 - 15:45 COFFEE BREAK

15:45 - 17:15 FINANCIAL MARKETS AND INSTITUTIONS IN THE REGION

Salem Al Noaimi, CEO, Waha Capital

Nicholas M. Gilani, Co-Head Investment Banking Group at National Bank of Abu Dhabi

Aka Jahangir, Managing Director, SEI

Kevin Taylor, Executive Vice President, Group Treasurer, Abu Dhabi Commercial Bank

17:15-17:45 CLOSING REMARKS

Professor Gültekin

MONDAY, DECEMBER 31, 2012 ABU DHABI

08:30 – 12:45 ISLAMIC FINANCE & REGULATORY ISSUES

08:30 – 09:30 OPENING REMARKS AND HISTORICAL OVERVIEW:

Bulent Gultekin and Michael J.T. McMillen

09:30 – 10:15 SHARIAH BOARDS AND THEIR FUNCTIONS; FATAWA:

Yusuf Talal DeLorenzo

10:15 – 10:30 COFFEE BREAK

10:30 – 12:15 REGULATORY MATTERS

10:30 – 11:15 ISLAMIC FINANCE: OUTLINE OF THE STRUCTURE, ESSENTIAL ELEMENTS AND CONSIDERATIONS

Hari Bhambra and Usama DeLorenzo

11:15 – 12:00 REGULATORY ISSUES AND CHALLENGES:

Peter Casey

12:00 – 12:45 TAKAFUL:

Omar Clark Fisher

12:45 – 1:30 LUNCH

CHALLENGES FOR ISLAMIC FINANCE: VIEW FROM THE MEDIA

Shaheen Pasha, Senior Regional Editor, The Brief

13:30 – 5:30 ISLAMIC FINANCE: THEORY & STRUCTURE of INSTRUMENTS

Prof. Michael J.T. McMillen

Dow Jones Fatwa and the Equity Side of the Capital Markets

Ijara Structures: Real Estate and Private Equity

Murabaha Structures: Working Capital, Short-term Instruments and Financing

Mudaraba Structures: Islamic Banking, Takaful, Investments

Musharaka Structures: Project Financing, Investments

Sukuk and the Finance Side of the Capital Markets

Islamic Banking

WEDNESDAY, JANUARY 2, 2013 DUBAI

09:00 - 09:45 DUBAI INTERNATIONAL FINANCIAL CENTER

Abdulla Mohamed Al Awar, CEO DIFC Authority

9:45-10:30 DUBAI FINACIAL MARKET

Essa Abdulfattah Kazim, CEO and Managing Director of Dubai Financial Market,

10:30-10:45 COFFEE BREAK

10:45 – 12:45 ALTERNATIV INVESTMENTS, INVESMENT BANKING , AND ASSET MANAGMENT:

Samer Khalidi NBK Capital

Orhan Osmansoy, CEO, The National Investor

Muhannad Qubbaj, Managing Director, Gulf Capital

Saqib Rashid, Abraj Capital

12:45 – 14:00 LUNCH BREAK

14:00 – 15:30 RESTRUCTURING THE REAL ESTATE MARKET IN DUBAI:

Dr. Martin Berlin, Group Chief Strategy Office, Dubai Properties Group

15:30-15:45 COFFEE BREAK

15:45-17:15 COUNTY PERSPECTIVES: SAUDI ARABIA & EGYPT:

Ammar Al-Khudairy, CEO, Amwal AlKhaleej Investment Co., Saudi Arabia

Wassim Moukahhal, Vice President, EFG Hermes, Egypt

17:15-17:30 CLOSING REMARKS

Professor Gültekin