

# Bank Valuation & Value-Based Management: Deposit and Loan Pricing, Performance Evaluation and Risk Management

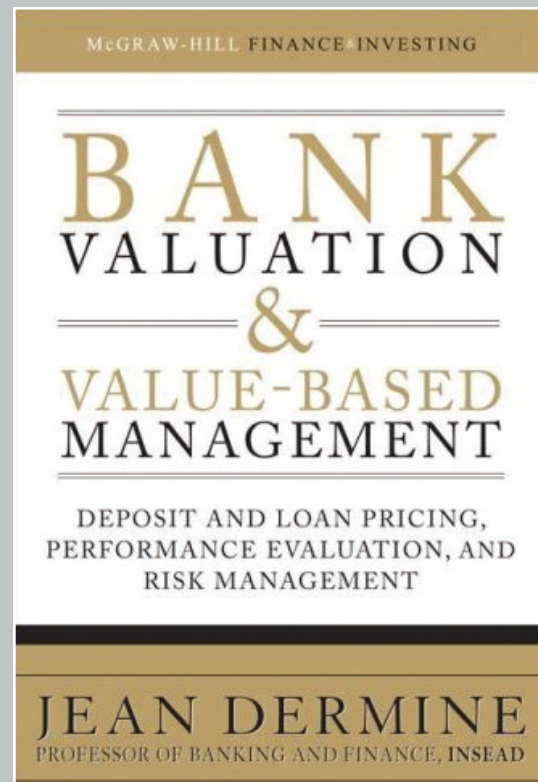
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To create value in banking, one needs to understand first the drivers of value. A sound and explicit bank valuation model is, as shown in the book, a very powerful tool to evaluate decisions that enhance shareholder value.

Anchored in the fields of economics and finance, it provides not only useful tools to value banks, but also an integrated framework to discuss managerial issues such as: fund transfer pricing, risk-adjusted performance evaluation, deposit pricing, capital management, loan pricing and provisioning, securitization, and the measurement of interest rate and liquidity risk. The US subprime crisis is unfolding with spillover effects felt around the world. No need anymore to raise the attention to the importance of sound bank management skills.



Jean Dermine is Professor of Banking and Finance at INSEAD, Fontainebleau. Docteur es Sciences Economiques from the Université Catholique de Louvain and MBA from Cornell University, he was a Visiting Professor at the Wharton School, New York University, Dakar, Lausanne, Louvain, Luxembourg, and the Stockholm School of Economics.

As a consultant, he worked with international banks, auditing and consulting firms, national central banks, European Central Bank, Bank for International Settlements, HM Treasury, the OECD, the World Bank, the European Commission, and the Mentor Forum for the US Supreme Court and the European Court of Justice. Jean Dermine is co-author of the ALCO Challenge, a banking simulation used on five continents.