

# ANNUALREPORT

1 September 2019 – 31 July 2020



# Annual Report

01 September 2019–31 July 2020

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## **A. Organization & Management**

### **Introduction**

#### Introduction

Established in 2008, the department is engaged in equipping undergraduate students with critical thinking and preparing them to face public debates in interdisciplinary fields of study.

### **Vision and Mission**

**Vision:** The Department of Banking and Finance vision is to be recognized as a major banking and finance department at the country level and in the region in both research and teaching. The department aims to foster finance expertise and global competitiveness in students.

**Mission:** The objective of the Department of Banking and Finance is to fulfill the need for qualified members in the field of finance and in banking system, and to prepare skilled people to work in different banking sectors.

#### About Us

The Department of Banking and Finance aims at the qualification of new staff with general knowledge, alert to the challenges in finance, and able to work in banking sector as well as in the administration of local and foreign private companies. The student will be able to acquire the necessary knowledge to operate in Albania and abroad due to the learnt theoretical framework, banking system, Albanian economy, accounting, etc. The department's objective is to qualify new financiers and bankers, supplied with the field knowledge by benefiting from all the achievements of this discipline at the international level. The degree conferred upon the completion of the undergraduate program is specialist in Banking and Finance/ Bachelor in Banking and Finance. The qualification from this department provides students with knowledge in Banking and Finance and prepares them with the necessary organizational skills to serve in the public and private banking system. The system of attendance is full time. A detailed information on the courses offered in the semester schedules are included in the academic plan. The list of departmental must, elective, restricted elective and free-elective courses is provided in detail in the academic catalog, including the theoretical lessons, recitation lessons, credits, equivalent credits according to ECTS credit system, and workload of each course. List of courses offered each semester by our department and academic catalog correlate together.

## **Study programs offered by the Department**

### Undergraduate Programs;

- 1- Banking and Finance in English (BAF)**
- 2- Banking and Finance in Albanian (BAFAL)**

The department of Banking and Finance offers the education in two languages, Banking and Finance in English and Banking and Finance in Albanian, as two separate programs. The degree conferred upon the completion of the undergraduate program is specialist in Banking and Finance/ Bachelor in Banking and Finance. The qualification from this department provides students with knowledge in Banking and Finance and prepares them with the necessary organizational skills to serve in the public and private banking system and financial institutions.

### Graduate Programs;

- 1- Professional Master in Banking and Finance**
- 2- Master of Science in Banking and Finance**

The program provides a solid background for students pursuing a professional career in the financial industry as financial analysts, chief financial officers and portfolio managers. Prospective employers include commercial banks, central banks, investment banking firms and other international financial institutions. This program includes core courses and elective courses, a seminar and a graduation project and is designed to be completed in one academic year of full-time study.

The Master of Science in Banking and Finance gives students the opportunity to develop specialized analytical skills applicable to their professional interests in corporate finance, investment, banking and international finance, among others. This program includes core courses and elective courses, a seminar and a thesis and is designed to be completed in two academic years of full-time study.

## **B. Resources**

### **Department Staff**



**Dr. Nertil Mera**  
Head of Department



**Prof. Dr. Agim Kukeli**  
Lecturer



**Dr. Chrysanthi Balomenou**  
Lecturer



**Dr. Erindi Allaj**  
Lecturer



**Dr. Moustapha Daouda Dala**

Lecturer



**MSc. Egis Zaimaj**

Assistant Lecturer



**MSc. Sidita Reshketa**

Lecturer



**MSc. Fatbardha Morina**

Research Assistant

### Part time Academic Staff



**Assoc. Prof. Dr. Lindita Mukli**

Lecturer

1. Matematike per Ekonomine dhe Biznesin I
2. Matematike per Ekonomine dhe Biznesin II
3. Statistike I
4. Statistike II



**Dr. Juliana Imeraj**

Lecturer

1. Sistemi Bankar i Krahastuar
2. Bazat e Finances se Korporateve
3. Real Estate Finance



**Dr. Jonada Mamo**

Lecturer

1. Taxes and Business Strategy
2. Kontabilitet Financiar I
3. Politika Dhe Teoria Monetare I



**Dr. Albana Demi**

Lecturer

1. Krahastimi i Sistemit Financiar



**Dr. Kristal Hykaj**

Lecturer

1. Public Finance
2. Financa Publike



**Assoc. Prof. Dr. Orfea Dhuci**

Lecturer

Risk Management and Insurance





**MSc. Avenir Lleshanaku**

Lecturer

1. Bank Accounting and Reporting
2. Raportimi dhe Kontabiliteti Bankar



**Dr. Arjeta Hallunovi**

Lecturer

1. Menaxhim Financiar
2. Bazat e Finances se Korporatave
3. Menaxhim dhe Analize Kredie



**Dr. Matilda Tola**

Lecturer

1. Finance Nderkombetare



**MSc. Erjon Saliasi**

Lecturer

1. Zhvillimi i Aftesive ne Shkrim dhe Lexim ne Anglisht
2. Anglisht Biznesi

**Administrative Staff**



**Erisa Pajollari**

Department Coordinator

## Finance

Income and various financing for <b>BA Banking and Finance</b> study program during the last five years	
Income from: (in EURO)	2019-20
Tuition and other student fees	419,249
<b>Total</b>	<b>419,249</b>
<b>GRAND TOTAL</b>	<b>419,249</b>

Expenditure for <b>BA Banking and Finance</b> study program during the last five years			
		2019-20	
Expenditures(in EURO)			
Public funds:	Salaries	Expendit	Investem
Central authorities			
Local authorities			
Total			
Non-public funds:			
Grants for research and contracts			
Consulting, services			
Tuition and other student fees	230,587	113,915	15,969
Sponsorships			
Training services (continuous education)			
Donations, insurance activities, foundations etc			
Commercial activities			
<b>Total</b>	<b>230,587</b>	<b>113,915</b>	<b>15,969</b>
<b>GRAND TOTAL</b>	<b>230,587</b>	<b>113,915</b>	<b>15,969</b>

Income and various financing for <b>BA Banking and Finance in albanian</b> study program during the last five years	
Income from: (in EURO)	2019-20
Tuition and other student fees	140,293
<b>Total</b>	<b>140,293</b>
<b>GRAND TOTAL</b>	<b>140,293</b>

Expenditure for <b>BA Banking and Finance in albanian</b> study program during the last five years			
Expenditures(in EURO)	2019-20		
Public funds:	Salaries	Expendit	Investem
Central authorities			
Local authorities			
Total			
Non-public funds:			
Grants for research and contracts			
Consulting, services			
Tuition and other student fees	77,161	38,119	5,344
Sponsorships			
Training services (continuous education)			
Donations, insurance activities, foundations etc			
Commercial activities			
<b>Total</b>	<b>77,161</b>	<b>38,119</b>	<b>5,344</b>
<b>GRAND TOTAL</b>	<b>77,161</b>	<b>38,119</b>	<b>5,344</b>

Income and various financing for <b>MSC Bank and Finance</b> study program during the last five years	
Income from: (in EURO)	2019-20
Tuition and other student fees	161,500
<b>Total</b>	<b>161,500</b>
<b>GRAND TOTAL</b>	<b>161,500</b>

Expenditure for <b>MSC Bank and Finance</b> study program during the last five years			
Expenditures(in EURO)	2019-20		
Public funds:	Salaries	Expendit	Investem
Central authorities			
Local authorities			
Total			
Non-public funds:			
Grants for research and contracts			
Consulting, services			
Tuition and other student fees	72,675	43,882	6,152
Sponsorships			
Training services (continuous education)			
Donations, insurance activities, foundations etc			
Commercial activities			
<b>Total</b>	<b>72,675</b>	<b>43,882</b>	<b>6,152</b>
<b>GRAND TOTAL</b>	<b>72,675</b>	<b>43,882</b>	<b>6,152</b>

Income and various financing for <b>PM Bank and Finance</b> study program during the last five years	
Income from: (in EURO)	2019-20
Tuition and other student fees	45,677
<b>Total</b>	<b>45,677</b>
<b>GRAND TOTAL</b>	<b>45,677</b>

Expenditure for <b>PM Bank and Finance</b> study program during the last five years			
Expenditures(in EURO)	2019-20		
Public funds:	Salaries	Expendit	Investem
Central authorities			
Local authorities			
Total			
Non-public funds:			
Grants for research and contracts			
Consulting, services			
Tuition and other student fees	20,555	12,411	1,740
Sponsorships			
Training services (continuous education)			
Donations, insurance activities, foundations etc			
Commercial activities			
<b>Total</b>	<b>20,555</b>	<b>12,411</b>	<b>1,740</b>
<b>GRAND TOTAL</b>	<b>20,555</b>	<b>12,411</b>	<b>1,740</b>

### **IT Resources, Physical Infrastructure and Library Resources**

EPOKA University is located on the Tirana-Rinas road, on the 12<sup>th</sup> kilometer. The campus extends over a total area of 67,000 m<sup>2</sup>. The 2019-2020 academic year is being conducted regularly on the premises of two buildings with a total area of 14352 m<sup>2</sup>.



**Figure 1: Master-Plan of the Campus.**



**Figure 2: Location of the campus on the Tirana-Rinas road**



**Figure 3: E-building**

This building has a modern infrastructure and a central heating and cooling system. The classrooms are equipped with video projectors and smart boards that enable the normal conduct of the learning process.





**Figure 4: Classrooms E-building**



**Figure 5: Auditoriums in E-building**

In September 2013, the construction of A-Building the “Cultural Social Object of Epoka University” was completed. In addition to classrooms, there are plenty of recreational facilities

for students such as cafeterias, libraries, internet cafés, facilities for the Student Council and student clubs, sports facilities, etc. Below are shown current pictures of the building.



**Figure 6: A-building, Cultural and Social Object**



**Figure 7: A-building, Cultural Social Object**





**Figure 8: Classrooms in A-building**



**Figure 9: Classrooms in A-building**

**Measurable indicators:**

**Table 1: Premises of the Faculty**

<b>Premises for the Faculties</b>	<b>Quantity</b>	<b>Surface</b>
Auditoria/Classrooms for lectures	5	752
Classrooms for seminars	18	1604
Premises for promotion activities	1	128
Classrooms for course/professional practice	2	258
Laboratories for courses	4	233
Informatics laboratories	3	174.6
Internet Room	2	151.8
Library Hall	1	322
Premises for photocopying, bookshop etc.	1	33.6
Student information office	2	71
Corridors/halls	25	2707.4
Sports premises	5	463
Premises for service to third parties	1	56
Restrooms (WC) for students	54	327.2
Restrooms (WC) for academic personnel	35	212.1
<b>Ratio m<sup>2</sup>/ per students</b>	3.65	
<b>Premises for personnel:</b>	<b>Quantity</b>	<b>Surface</b>
Offices for the Dean/Vice-Dean	5	285.5
Office for the Administrator	1	25.4
Offices for the Department Coordinators	3	78.5
Offices for departments/research centers	12	328.5
Offices for the academic personnel	40	620
Office for the Finance Office	2	37
Office for the Internal Quality Assurance Unit	1	50
Meeting rooms	3	160.2
Premises for service personnel	11	30.2
Premises for the activities of the Student Council	1	30
Recreation premises such as cafeteria/fast-food/ restaurant	1	337
<b>Ratio m<sup>2</sup> per person</b>	<b>17.39</b>	

For the 2017-2018 academic year, EPOKA University Campus uses 17 classrooms: (E-B10, E-B11, E-211, E-212, E-213, E-311, E-312, E-313, A 117, A118, A119, A120, A127, A128, A129, A130, A131), 5 auditoriums: (E-012, E-110, E-214, E-314 and A-005) a conference room (E-B01), three computer laboratories (E-011, E-015, A-126), an electronic lab (E-010) and a civil engineering laboratory. There are 3 internet rooms as it is reflected in the table above, but the University offers comprehensive wireless internet throughout its buildings. The facilities are

equipped with central heating-cooling systems, video projectors, smart boards and sound systems and are presented in the tables and the photo gallery below.

**Table 2: Classrooms used during the 2019-2020 academic year**

No.	Name of the Class	Surface (m2)	Capacity
1	E B10	75	56
2	E B13	75	66
3	E 211	64	36
4	E 212	81.32	72
5	E 213	81.72	72
6	E 311	63.46	40
7	E 312	81.32	48
8	E 313	81.72	40
9	A 117	138.0	35
10	A 118	138.0	35
11	A 119	138.0	35
12	A 120	138.0	35
13	A 126	72.41	42
14	A 127	72.41	56
15	A 128	73.53	56
16	A 129	73.71	56
17	A 130	72.02	56
18	A 131	72.02	56
<b>total</b>	<b>18</b>	<b>1591.64</b>	<b>892</b>

**Table 3: Auditoriums used during the 2019-2020 academic year**

No.	Name of Auditorium	Surface (m2)	Capacity
1	E 012	131.54	66
2	E 110	130.82	136
3	E 214	154.32	150
4	E 314	154.32	134
5	A 005	145.2	65
<b>total</b>	<b>5</b>	<b>716.2</b>	<b>551</b>

**Table 4: Laboratories used during the 2019-2020 academic year**

<b>Name</b>	<b>Laboratories</b>	<b>Surface (m2)</b>	<b>Capacity</b>
E 011	Computer Laboratory 2	96.64	42+1
E 015	Computer Laboratory 1	77.93	40+1
E B11	Computer Laboratory 3	123.7	47+1
E 012	Electronic Laboratory	132	20+1 (24)
I 001	Civil Engineering Laboratory	283	40



**Figure 10: Informatics Laboratory 1**





**Figure 11: Informatics Laboratory 2**



**Figure 12: Informatics Laboratory 3**



**Figure 13: Conference Hall 1**

Epoka University has a conference hall with an area of 128 m<sup>2</sup> and a capacity of 99 persons. The conference hall is mainly used for social, cultural and various national and international conferences. The hall is equipped with central heating-cooling system, video projector, sound system and two cabins for simultaneous translation. In addition, a new conference hall is under construction on the premises of the “Cultural Social Object” building is with a surface of about 400 m<sup>2</sup> and a capacity of 300 persons.



**Figure 14: Conference Hall 2, under construction**



**Figure 15: Eagle Meeting Room.**



**Figure 16: Diversity Meeting Room**



### ICTC Office Services:

The Information and Communication Technologies Coordinating Office (ICTCO) provides informatics services needed in the University. It plans the informatics infrastructure of the University, provides its security and ensures the continuation of its functions. ICTCO works on the project for effective, legal and extensive usage of the informatics services for students and personnel and provides the following services:



**Chart 1: ICTCO Services**



### Teaching Services:

- **Turnitin** software helps users to understand and avoid plagiarism and develop their understanding of how to cite sources as part of an academic argument. ICTC office manages the users and trains the staff about how to use Turnitin.
- **Learning Management System (LMS)** – A service based on Moodle offered for students and instructors in order to access, coordinate and organize course materials online. Students and instructors can login to LMS using the provided official email account.
- **Library Automation System (Koha)** - Koha is an open-source Integrated Library System in use today by hundreds of libraries worldwide. Koha is web based, so there is no software to install on desktop computers. Users can check the books online and reserve them via web. Its features are more than enough to manage the Epoka Library effectively and efficiently.
- **DSpace**– The institutional repository of Epoka University: DSpace is an open source repository software package typically used for creating open access repositories for scholarly and/or published digital content. The proceedings of the conferences which are organized by Epoka University can be accessed from this repository. Epoka University is the only university who has digital repository in Albania (<http://repositories.webometrics.info/en/Europe/Albania>). We also give services to other international journals to publish their publications (<http://dspace.epoka.edu.al/handle/1/1378>) in our digital repository.

### Google Services:

- **Webmail (Google account)** –Epoka University is using Google Apps for Education services and all students and academic and administrative staff are provided with an email address under epoka.edu.al domain which is a Google account. Beside official communication which is done through this email address, this account can be used for authentication to other online systems offered by university.

- **Google Classroom** – A more interactive service offered by Google as part of Google Apps for education in order to access, coordinate and organize course materials on cloud. By using Google Classroom, course materials can be integrated with other Google services where assigned users can collaborate. Students and instructors can access this service using the provided account.

**Microsoft Teams** – During the online classes, Epoka University used also Microsoft Teams for the teaching process. It brings together everything a class needs: chat and threaded conversations, meetings & video conferencing, assignments and quizzes.

**Education Information System (Curriculum)** – a website containing information related to study programs, curriculum and course syllabuses.

**Smart Card:** All students and staff are provided with Smart Card identification cards. The Smart Card is put as an e-ID application at three buildings, two PC labs, one Electronics Lab, and campus gate entry turnstiles and barriers. The e-wallet application is active for staff but has not started yet for students.

**Help Desk:** ICTCO is also responsible for the maintenance of personnel and PC Lab computers in respect to software and hardware. Its staff monitors the personal computers within the frame of distribution of duty and authority and brings the issues to a conclusion. At the same time, ICTCO plans servers and cabling services of the University. Staff can open ticket via [help.epoka.edu.al](http://help.epoka.edu.al) for their ICTCO related problems and follow the process from here. You can share your opinions on every subject related to information technologies and informatics with [help@epoka.edu.al](mailto:help@epoka.edu.al) and you can also write your complaints and suggestions for a better campus life.

### **Software Opportunities**

Epoka University has a subscription of Microsoft Program which is called Dream Spark. It supports technical education by providing access to Microsoft software for learning, teaching

and research purposes. Epoka University also provides Office 365 accounts to all staffs and students which includes all office applications for free.

## **Network**

**Wireless:** Epoka University provides wireless internet connection to all Epoka members in the campus. As ICTCO, we ensure that the wireless signal is strong and covers everywhere in campus.

**Wired:** Besides wireless, there are three PC labs, one Civil Engineering lab, one Electronics lab, one PhD study room and a library where PCs serve students and staffs with wired internet. In the Epoka Library and one of the classrooms, there are plug and use stations next to each table where students and staff can use for wired internet and electricity for their laptops.

**Digital Signage:** There are four TVs in campus, which are used to inform Epoka members about latest news and announcements.

## **Epoka Interactive Systems (EIS)**



**Chart 2: Epoka Interactive Systems (EIS)**

Recognizing the needs of campus community, Epoka has made a strategic decision to replace its aging, cumbersome, and vendor-supported student, instructors, and staff systems with a modern, nimble and effective internally built system that includes admissions, enrolment, registration, financial aid, student, instructor, and staff accounts, and advising in one platform.

EIS is developed by ICTCO at Epoka University. From the user interface, EIS is an online interactive system where users can log in using the provided official email account. It is a modular system organized by roles and respective units at the university and the information is stored in a centralized database. All users have access to their personal information, can update general details and CV and they can manage job related tasks and activities according to their role and job position.

- ) **Students:** Students in their profile can access their personal information and information related to their study program. Course registration is done through the system and after that, students can view the ongoing academic activity of the registered courses during the

semester. They can check attendance, exam dates, interim grades and final grades. Also, in the system, they can access the program curriculum, transcript, grade calculation, weekly schedule, requests and notifications. The EIS prompts students when they are in the “warning zone” for financial or academic issues. It empowers students to create course plans to ensure timely graduation.

- ) **Instructors:** Academic staff including full-time and part-time lecturers can have access to their courses assigned in the current semester and can also view previously assigned courses. Lecturers can update the syllabus, complete student attendance, assign and finalize grades. Advisor lecturers can have access to academic information of the students assigned for advisory and they can approve student course registration.
- ) **Coordinators:** The opening of courses according to course appointment in each semester is done by department coordinators and approved by faculty coordinators. Coordinators can monitor the academic activity of the lecturers under respective department.
- ) **Admissions and Registrar’s Office:** Admissions Office enters all pre-registered student information and assigns scholarships. After the student has completed the registration, all the related information entered by Admissions office, is managed by Registrar’s office.
- ) **Finance:** Finance office can manage and follow up all student financial information related to tuition fees and scholarship.
- ) **Human Resources:** Human resources office can manage all staff information data and assigns roles and job position for each staff.
- ) **Curriculum:** a website containing information related to study programs, curriculum and course syllabus.

All users have access to their personalized reports according to their roles and respective units. Faculties and units are liberated from tedious manual tasks. EIS supplies them with new and most updated information that will empower them to make informed decisions based on data.

EIS can be continuously updated with new modules according to the university needs. EIS can be accessed via: <https://eis.epoka.edu.al> and users can log-in by their Epoka Mail account credentials.

### **Measurable indicators:**

**Table 5: Numbers on Tools and Equipment**

Number of PCs for graduate students	120
Number of PC furnished labs for graduate students	4
Number of PCs for academic staff	87
Number of PCs for administration	53
Number of printers	15
Number of photocopying machines	15
Number of head projectors	1
Number of video-projectors	27
Number of scanners	10

## LIBRARY



**Figure 17: Library**

The Epoka University Library, which is located on the first floor of A-Building in the Rinas Campus, was founded to support the education and research activities of the university by providing and organizing the needed documents.

With its 100-seating capacity, our library has 400 square meters area of use. Our University Library is composed of entrance, book and reading hall. In the entrance, there is a check out desk. The periodicals, including the exhibition of new arrivals, are also shelved in this section. The reading hall is equipped for students to study and to do research.

Epoka University is a member of Balkan Libraries Union which was founded on 29 July 2009 with the participation of 10 institutions from 6 Balkan countries.

Our library collection is enriched by purchases and donations. The books to buy are chosen in accordance with the needs and requests of the students, administrative and academic staff. Under the Department of Library and Documentation, the library has a total of about 7500 printed books.

### **Digital Databases**

Epoka University has full membership in JSTOR, a shared digital library created in 1995 that includes more than 2,000 academic journals. JSTOR was founded to help libraries and academic publishers transition their activities from print to digital operations, to expand access to scholarly content around the world and to preserve it for future generations.

Every member of Epoka staff can have access to JSTOR's collections by going to <http://www.jstor.org/> and searching or browsing for content and can download several articles periodically.

### **Using the Library**

Our library works on the open shelf system enabling users to reach the books directly. The books in the open shelves are topically sorted in the book hall according to LC classification method. To find the book you are looking for, users should follow these steps:

1. Through the catalog search computers in the library users can search author's name, book name, and publisher, topic, or keyword areas. Users can also search for books at (<http://lib.epoka.edu.al/>)
2. To get the book, users can go to the shelves with the classification and location numbers of the books appearing on the screen as a result of the user's search.

**Example of LC number** for the book: "Exchange rates and international finance", Laurence S. Copeland / Financial Times, 2008

### **HG 3821/ C78 /2008**

The first part of the LC number "**HG**" represents the category of the book by its topic. In the LC system, the first letter **H** stands for **Social Science** class. Each subsequent letter indicates next level of subcategories of the main topic. In the given example **G** stands for **Finance**, **3821** indicates subcategories included between 3810-4000 (Foreign exchange, International finance, International monetary system), **C78** indicates the first letter of authors surname, **2008** indicates book publication year.

### **Regulations**

Students of Associate Degree, Bachelor's Degree, and Master's Degree and academic and administrative personnel are members of the library. They can borrow library materials in accordance with the rules.

Researchers coming from outside the university are not lent books, they are only allowed to use and copy the materials in the library. Readers in this group are requested to fill up the related Lending Service form.

**Table 6: Circulation Rules**

Resource	Patron	Loan period(days)	Maximum number of check-outs(items)
<b>Book</b>	Pre-undergraduate/Undergraduate students	15	3
	Graduate students	15	5
	Staff	20	5
<b>Bound Journal</b>	Graduate students Staff	5	2
<b>Visual/Audio Resources</b>	Pre-undergraduate/Undergraduate students	3	3
	Graduate students Staff		

Source: (<http://library.epoka.edu.al/cat-regulations-484.html>)



## C. The Curriculum

### Undergraduate Teaching

#### 1. BA in Banking and Finance

FIRST YEAR	
Introduction to Economics	Introduction to Accounting
Introduction to Business	Principles of Banking
Introduction to Law	Introduction to Research Methods
Essentials of Organizational Behavior	Introduction to Finance
Math. for Economics and Business I	Math. for Economics and Business II
Core English	Business English
Developing Reading and Writing Skills	Developing Reading and Writing Skills
SECOND YEAR	
Financial Accounting I	Financial Accounting II
Statistics I	Statistics II
Macroeconomics	Macroeconomics
Business Law	Public Finance
Fundamentals of Corporate Finance	Financial Management
Elective I	Elective I
ELECTIVE COURSES FOR SECOND YEAR	
Marketing I	Labor Economics
Government, Politics and Public Policy in Albania	Marketing II
Taxes and Business Strategy	Turkish II
International Trade Theory and Policy	French II
Turkish I	German II
French I	Italian II
German I	
Italian I	
THIRD YEAR	
Financial Institutions and Markets	Loan Management and Credit Analysis
Financial Econometrics I	Graduation Project
Comparative Banking	Final Comprehensive Exam
Merges, Acquisitions and Private Equity	Multinational Finance
Elective I	Elective I
Elective II	Elective II
ELECTIVE COURSES FOR THIRD YEAR	
Customs Management	Management of Financial Institutions
Banking Operations and Services	Bank Accounting and Reporting
Economics of Innovation	Quantitative Techniques in Finance

Real Estate Finance	Capital Markets Law
Total Quality Management	Financial Econometrics II
Consumer Behavior	Investment Banking
Operations Management	Participation Banking
Human Resource Management	Global Supply Chain Management
Cost Accounting	Monetary Theory and Policy II
Internet and Social Media Marketing	International Economics II
Marketing Research	Game Theory
Supply Chain Management	Fiscal Policy
Turkish III	Comparative Economic Systems
French III	Natural Resources and Environment Economics
E-Marketing	The Economics of Income Distribution
Mezzanine Finance	Labor Market Studies
Monetary Theory and Policy I	Managerial Accounting
International Economics I	Operations Research
Industrial Economics	Customer Relationship Management
Economics of Education and Human Capital	Strategic Logistic Management
Professional Practice	Knowledge Management
	Branding and Brand Management
	Turkish IV
	French IV
	Knowledge Management

*2. BA in Banking and Finance in Albanian*

<b>FIRST YEAR</b>	
<b>Hyrje në Ekonomi</b>	<b>Hyrje në Financë</b>
<b>Hyrje në Biznes</b>	<b>Hyrje në Kontabilitet</b>
<b>Hyrje në të Drejtë</b>	<b>Hyrje në Metodën Kërkimore</b>
<b>Shkencat e Sjelljes</b>	<b>Parimet Bankare</b>
<b>Mat. për Ekonominë dhe Biznesin I</b>	<b>Mat. për Ekonominë dhe Biznesin II</b>
<b>Zhvillimi i Aftësive në Shkrim dhe Lexim në Anglisht</b>	<b>Anglisht Biznesi</b>
<b>SECOND YEAR</b>	
<b>Kontabilitet Financiar I</b>	<b>Statistikë II</b>
<b>Statistikë I</b>	<b>Kontabilitet Financiar II</b>
<b>Mikroekonomi</b>	<b>Financë Publike</b>
<b>E Drejta e Biznesit</b>	<b>Menaxhim Financiar</b>
<b>Bazat e Financës së Korporatave</b>	<b>Makroekonomi</b>
<b>Me zgjedhje I</b>	<b>Me zgjedhje I</b>
<b>ELECTIVE COURSES FOR SECOND YEAR</b>	
<b>Turqisht I</b>	<b>Ekonomi Pune</b>
<b>Gjermanisht I</b>	<b>Turqisht II</b>

Italisht I	Frëngjisht II
Frëngjisht I	Marketing II
Marketing I	Gjermanisht II
Taksat dhe Strategjia e Biznesit	Italisht II
<b>THIRD YEAR</b>	
<b>Institucionet dhe Tregjet Financiare</b>	<b>Manaxhim dhe Analizë Kredie</b>
<b>Ekonometri Financiare I</b>	<b>Financë Ndërkombëtare</b>
<b>Krahasimi i Sistemit Bankar</b>	<b>Teza e Diplomes</b> <b>Provim i Përgjithshëm Final</b>
<b>Lende me Zgjedhje I</b>	<b>Me Zgjedhje I</b>
<b>Lende me Zgjedhje II</b>	<b>Me Zgjedhje II</b>
<b>Lende me Zgjedhje III</b>	
<b>ELECTIVE COURSES FOR THIRD YEAR</b>	
Veprimet dhe Sherbimet Bankare	Politika dhe Teoria Monetare II
Politika dhe Teoria Monetare I	Menaxhim i Institucioneve Financiare
E-Marketing	Teknika Sasiore ne Finance
Ekonomi Nderkombetare I	Menaxhim i Sistemeve te Informacionit
Manaxhim i Burimeve Njerezore	Ligji i Tregjeve te Kapitalit
Menaxhim Total i Cilesise	Ekonomi Nderkombetare II
Turqisht III	Ekonometri Financiare II
Frëngjisht III	Raportim dhe Kontabilitet Bankar
Praktikë Profesionale	

## Graduate Teaching

### 1. MSC in Banking and Finance

<b>FIRST YEAR</b>	
<b>Portfolio Management and Investment Analysis</b>	<b>Bank Management</b>
<b>Academic Reading and Writing</b>	<b>Risk Management and Insurance</b>
<b>Elective I</b>	<b>Elective I</b>
<b>Elective II</b>	<b>Elective II</b>
<b>ELECTIVE COURSES FOR FIRST YEAR</b>	
Advanced Financial Econometrics	Auditing
Project Evaluation and Finance I	Project Evaluation and Finance II
International Finance	Monetary Stability in Financial Markets
Financial Analysis	Albanian Tax Law
Environmental Economics	Time Series in Econometrics
Albanian Economy I	Albanian Economy II
Economic Integrations and EU	Development and Growth II

Development and Growth I	
<b>SECOND YEAR</b>	
<b>Research Methods in Economics and Finance</b>	<b>Thesis</b>
<b>Elective I</b>	
<b>Elective II</b>	
<b>Elective III</b>	
<b>ELECTIVE COURSES FOR SECOND YEAR</b>	
Behavioral Finance and Investment Management	
Albanian Banking System and Central Banking	
Applied Macroeconomics	
Advanced Managerial Accounting	
Seminars in Banking and Finance	
International Accounting and IFRS	

## 2. PM in Banking and Finance

<b>FIRST YEAR</b>	
<b>Research Methods in Banking and Finance</b>	<b>Term Project</b>
<b>Professional Practice</b>	<b>Elective I</b>
<b>Elective I</b>	<b>Elective II</b>
<b>Elective II</b>	
<b>ELECTIVE COURSES FOR FIRST YEAR</b>	
Albanian Banking System and Central Banking	Applied Finance Management
Applied Macroeconomics I	Applied Macroeconomics II
Advanced Monetary Theory and Policy	Applied Managerial Economics
International Accounting and IFRS	
Seminars in Banking and Finance	

## D. Teaching, Learning, Assessment & Research

### Undergraduate Students' List of Theses

**Name Surname:** Albana Bakalli

**Title of Thesis/Term Project/Graduation Project:** *The impact of macroeconomic determinants on non-performing loans in Balkan countries: An empirical*

**Thesis Supervisor:** Sidita Reshketa

**Thesis Summary:** The aim of this paper is to examine the degree of impact of the macroeconomic factors on the level of non-performing loans. To conduct this study seven countries from Balkan region are taken in examination for the time period from 2009 to 2018. Data for the economic conditions and NPLs are retrieved mainly from the World Bank and the

respective Central Banks and are used to estimate a panel regression analysis. The fluctuations of macroeconomic conditions including GDP, inflation, interest rates, remittance and exports as well as the percentage of non-performing loans to total loans are briefly graphically analyzed for each country. The data has also been used to estimate a fixed effect model to capture the influence of the macroeconomic factors on problematic loans. From the results of the study was obtained a significant influence of GDP, interest rates and exports on the on NPLs.

**Name Surname:** *Xhenifer Haldeda*

**Title of Thesis/Term Project/Graduation Project:** *Impact of the financial crisis 2007-2008 on bank performance in the United States*

**Thesis Supervisor:** *Sidita Reshketa*

**Thesis Summary:** The aim of this thesis is to identify the impact of financial crisis on bank performance, based on the 2007-2008 financial crisis. For this study, a panel data for the years 2007-2013 for 8 best rated American banks in US retrieved from annual reports, regarding bank specific factors were used. In order for the results to be efficient many econometric testes are conducted: Hausman test, Stationary, Multicollinearity, Serial Correlation, etc. As a result, the loan loss provision and ratio of capital to asset were found to be statistically significant and negatively correlated. So, the higher is the credit risk of a bank the lower is its ROA (indicator of bank performance). Given the guidelines that came from this conclusion, the impact of the financial crisis in bank performance, this study is of importance to bank institutions, policy makers, risk manages, etc.

**Name Surname:** *Luis Hoti*

**Title of Thesis/Term Project/Graduation Project:** *Custom Duty: how custom clearance affects the economy?*

**Thesis Supervisor:** *Sidita Reshketa*

**Thesis Summary:** Customs duties are a special type of indirect taxes which are paid on occasion and at the time of passing goods across the customs border. In fact customs duties are paid by persons who bring or export goods from the customs territory (importers or exporters), since the latter include payments for customs duties as costs in the prices of goods, in the final analysis are the consumers who bought imported goods that are payers of customs duties paid for those

goods. This is precisely the reason why customs duties are classified in the group of indirect taxes.

As we said above in terms of one of the most liberal policies, a country may be obliged to apply customs duties on imports or exports. Depending on the purpose of the placement, the method of harvesting as well as the time of application, and other criteria, different classifications of customs duties can be made. Taxes in general are the key source where a country make their revenues. Custom tax is the second source of taxes after the VAT which is the biggest one.

By eliminating custom duty, it doesn't mean that customs are not going to function anymore. It really means to decrease at lowest level possible exports and imports tariffs.

In this thesis, I am going to explain what will happen to Albanian economy if this tax change. Does it have a positive or negative impact? I will explain its role on GDP using econometrics model and empirical findings.

**Name Surname:** Kiara Hoxhaj

**Title of Thesis/Term Project/Graduation Project:** Stock Price Determinants and the impact of COVID-19: Case of Airline Industry

**Thesis Supervisor:** Sidita Reshketa

**Thesis Summary:** This project focuses on the relationship between stock price determinants and COVID-19 on aviation stock prices. The main point is that when COVID-19 was declared present, taking other determinants into consideration, airline companies' stock prices began deteriorating. The econometric model used in the project is POLS because COVID-19 is included as a dummy variable to account for major shock. Three of the stock prices determinants showed different results from other studies and only one of them, the unemployment rate, proved its impact against the prices. COVID-19 got proved to have an impact too, on the aviation stock prices. However, the virus is still present which means other studies can be conducted to bring a detailed result. Therefore, there is still place for another research being done after several months or years.

**Name Surname:** Pamela Cafuli

**Title of Thesis/Term Project/Graduation Project:** The impact of banking factor on the level of non-performing loans: Case of Albania

**Thesis Supervisor:** Sidita Reshketa

**Thesis Summary:** This paper aims to identify and then to analyze the impact of some specific banking factors on the level of non-performing loans of second level banks in Albania, during a period of 5 years from 2014 to 2018. This study includes 7 out of 14 second level banks operating in our country. The selected banks to carry out this study represent all the three different groups divided based on the percentage that they occupy in the total assets of the whole banking system in Albania. In other words, in this study will be pointed out the relationship between the specific banking factors and the level of non-performing loans of second level banks. It will also determine the impact that each banking factor that has been considered will have on the level of non-performing loans. The methodology used consists in creating an econometric model, that of linear regression which makes it possible to better realize the purpose of this paper. The regression model includes 5 variables, of which the level of non-performing loans is taken as a dependent variable and the other 4 banking factors: loan volume, bank size, deposit volume and non-interest income to total assets are taken as independent or explanatory variables. Quantitative data are collected based on annual frequency, mainly from the annual reports of each bank included in the study. Through the analysis of the obtained results, this paper concluded that banking factors such as loan volume and non-interest income to total assets turned out to be statistically significant and also both have a positive impact on the level of non-performing loans.

**Name Surname:** Gladiola Hysa

**Title of Thesis/Term Project/Graduation Project:** *Internal Factors affecting bank profitability: Case of Albania*

**Thesis Supervisor:** Sidita Reshketa

**Thesis Summary:** Profits earned by each financial institution are affected by many factors. These factors may be influenced by the management decisions or external “forces” that represent the economic environment and the legal framework in which these institutions operate. In Albania, the financial system is still at a developing phase and it seems that banks are the most important component of this system. Therefore, this study refers to the commercial banks that operate in Albania. The main aim of this paper is to explore the impact of some of the most important bank-related (internal) factors on profitability of these second-level banks by focusing on an empirical analysis. Bank profitability is measured by using the return on assets (ROA) ratio and is modelled as a function of capital, size, net interest income, deposits and loans. Moreover, this paper gives a review of the literature on bank profitability by selecting high quality papers. Then it continues with the analysis of collected data and possible effects that the selected determinants may have on bank performance. Regarding the econometric methodology, this study is based on a panel data for 7 banks with a total of 77 observations over a period of 2009-2019. Least squares on a random effects model is applied in order to prove the relevance of the alternative hypothesis. The results suggest that internal determinants (bank-specific) like capital, size, net interest income and deposits have a positive impact on the performance of banks while loans are found to be statistically insignificant.

**Name Surname:** Marianxhela Kola

**Title of Graduation Project:** *Financial innovation and technology; Case of the banking industry in Albania*

**Thesis Summary:** Even though abroad online banking has been used for years now, in Albania these services are still at their early stages when it comes to gaining mass popularity. In a society like ours, with no active stock exchange, the role of banks to the economy and its various participants becomes critical. Developments in technology have made banking sector more efficient by allowing to perform transactions from home or office without having the need to go to the bank. The main aim of this paper is to describe the role of e-banking and how e-banking has affected the customers and employees of the bank. This study analyzes the role of e-banking



from two different perspectives: user vs. bank viewpoint. A regression analysis, more specifically a Linear Probability Model is used to bring to light key factors that determine the adoption of e-banking by Albanian customers. Also, an explanatory analysis of results and data from a banks' perspective is carried out based on primary data. The results suggest that regardless of inherent risks, e-banking is the future of banking, and benefits outweigh the costs. The data was obtained via online surveys and consisted of 251 observations (users) and 27 bank employees. The surveys include 24 and 30 questions, respectively. Results suggest that Internet banking is still in its infancy, while user characteristics are key determinants for adoption.

**Name Surname:** *Juli Dema*

**Title of Graduation Project:** *Variance versus Semi variance for portfolio optimization: A genetic algorithm approach*

**Thesis Summary:** The purpose of this paper is to compare two risk measures—variance and semivariance—for the portfolio optimization problem. It is expected that mean-semivariance optimal portfolios will outperform mean-variance optimal portfolios due to semivariance being a theoretically more plausible risk measure. The dataset includes the daily adjusted closing prices, from the period between June 1st, 2014 to May 31st 2019, of 33 stocks from the S&P 500 index. Using the historical data, expected risk and returns are estimated. The optimal portfolios are approximated by use of a Genetic Algorithm. Low-risk and medium-risk portfolios are found for each measure. The portfolios are tested in a one-year out of sample period spanning from June 1st, 2019 to May 31st 2020. The empirical findings support the fact that semivariance is a superior risk measure as the optimal semivariance portfolios exhibited better performance in the out of sample period. The results suggest that investors rely on mean-semivariance optimization rather than mean-variance portfolio optimization.

**Name Surname:** *Isida Ademi*

**Title of Graduation Project:** *The accessibility of SME-s to bank financing; Case of Tirana*

**Thesis Summary:** SMEs have an extremely important role in every economy, because they occupy the largest part of businesses and usually employ the most part of the working force. However, they depend heavily on external financing, especially on bank financing. Banking institutions impose a lot of criteria when it comes to lending, thus SMEs often find it difficult to obtain bank loans. The purpose of this study is to determine the factors that influence bank lending to SMEs in the capital city of Albania, by focusing on firm characteristics, entrepreneur

characteristics, and financial characteristics. A questionnaire was conducted to 120 SMEs located in Tirana, chosen randomly from different sectors. This study uses the Linear Probability Model (LPM) on a sample of 68 SMEs and is based on cross-sectional data collected in the end of 2019. The empirical findings show that variables such as age, location, and legal form of the businesses, do not affect the ability of SMEs to obtain bank loans. On the other hand, size of the company has a negative impact on the accessibility of loans, meanwhile education and experience of the manager, as well as business plan are positively related to the likelihood of obtaining bank financing. In addition, SMEs that are operated by male managers are more appealing to banks. It must be further stated that the total assets of a company represent the most significant variable (significant at 1% level of significance) and are positively related to the probability of getting bank financing. This study is valuable to SMEs' managers and owners, as well as to banking institutions and future researchers.

**Name Surname:** *Rei Golikja*

**Title of Graduation Project:** *Bank profitability and the impact of foreign exchange risk: Case of Albania*

**Thesis Summary:** The banking system is an essential component of the economic growth and the development of a country. A consolidated sector efficiently allocates the resources; generate investments and prosperity as well as handles economic turmoil. This paper is intended to investigate the internal and external factors contributing to the profitability of the commercial banks in Albania, with a specific focus on exchange rates variability. With a total number of 128 observations, the study covers 16 Albanian banks during an 8-year period from 2009 to 2016. The Pooled Ordinary Least Squares (POLS) method is used to estimate the model. The bank-specific data are obtained from the financial statement of each bank, whereas the macroeconomic indicators from the database of World Bank. The empirical findings show that size of the bank leads to a better profitability, while the credit risk depresses it with a large economic and statistical significance. Regarding macroeconomic variables, the inflation rate has a slight positive effect. On the other side, the foreign exchange risk shows a negative relationship with the profitability although significant only at 10% level. This research is beneficial to bank managers, stakeholders, government, and the sector as a whole.

**Name Surname:** *Xhoana Myrta*

***Title of Graduation Project:*** *Second-tier banks and innovation; Case of Albania*

***Thesis Summary:*** Financial sector is the backbone of the economic development in a country. In the case of Albania, the whole burden falls on banking industry to carry out most of the functions of the financial sector. Said that, this study analysis various factors that are suspected to have an influence on the financial performance of the banking sector and amongst others it focuses on the impact of innovation. All industries and consumers are nowadays facing a constant change due to technological advancements. Living in the digital area has its own pros and cons. This study allows also to analyze the role of innovation on banking industry as evidenced by primary data findings. The sample consists of 8 Albanian banks studied over a 10-year period. Financial information on banks was collected via the individual websites while macroeconomic data were retrieved from World Bank. A panel data regression analysis is used to identify key determinants for banks' success. As far as the final concluding remarks are concerned, it is worth emphasizing that in line with other authors we find a positive impact of innovation on banks' operations and performance. It seems that this rapid technological development contributes in the health and success of banking industry in the case of Albania.

***Name Surname:*** *Silvi Marku*

***Title of Graduation Project:*** *Stock price determinants; An empirical analysis of internal and external factors*

***Thesis Summary:*** This research paper examines the impact of internal and external factors on stock price. The data taken for this study consists of ten random companies listed in the London Stock Exchange for the period of ten years. The data set for this study follows a panel data structure. By looking at financial statements of each company like balance sheet and income statement it was possible to take internal factors like debt ratio, current ratio and return on average assets. The external factors like foreign exchange rate, gross domestic product, inflation, and interest rate are taken from official websites. Data about stock price are taken from Yahoo.com. Besides the regression analysis which aims to shed light on key determinants of stock price, a brief analysis on the direction and length of impact of Brexit is undertaken to compare the before, after and BREXIT period. From the results, it is concluded that the inflation, forex exchange rate and debt ratio have an impact on stock price. Also, because of Brexit it is noticed that stock prices have changed dramatically in the months when this external shock took place.

**Name Surname:** Esmeralda Braka

**Title of Graduation Project:** Një analizë empirike mbi përcaktuesit mikro të vlerës së aksioneve

**Thesis Summary:** Ky kerkim dytesor observon sesi cmimet e aksioneve në bursë ndryshojnë nga viti në vit duke u bazuar në një grup kompanish të cilat operojnë në një treg të gjerë dhe në sektorë të ndryshëm të ekonomisë. Jemi bazuar në kompani ndërkombëtare që janë të listuara në bursën e NYSE. Ka shumë faktorë të cilët ndikojnë në këtë treg kaq dinamik por edhe delikat në të njëjtën kohë. Në këtë punim janë përzgjedhur vetëm disa faktorë kyc normativë financiarë, duke e parë nga një këndvështrim mikro por duke mos mohuar prezencën e faktorëve të panumërt që ndikojnë në cmimin e aksioneve si ata makroekonomikë, mikroekonomikë, politikë, psikologjikë etj. Duhet përcaktuar që në fillim se cmimi i aksioneve lëviz për të njëjtën arsye që lëviz dhe ekonomia - kurba e kërkesë-ofertës. Çështja qëndron që çfarë i bën investitorët të investojnë ose jo. Cilët janë elementët që ata shohin para se të hedhin hapin në këto kompani? Duke qenë se jo të gjithë investitorët kanë background financiar ideja qëndron se çfarë shohin ata para se të përzgjedhin kompaninë në të cilën do të blenë aksione e për pasojë të ndikojnë në kurbën e cmimit të aksioneve. Të dhënat janë marrë për pesëmbëdhjetë kompani për periudhën 2007-2019 dhe do të studiohen me anë të një analize empirike duke përdorur një model ekonometrik. Rezultatet e këtij studimi janë me interes si për korporatat por dhe për investitorët në tregjet e kapitalit.

**Name Surname:** Desada Kurti

**Title of Graduation Project:** Determinants of bank capital structure in Albania.

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** Banks are the main financial institutions in Albania. For this reason, a study of their capital structure is of huge importance especially for bank managers. This paper is focused on capturing the effect of bank specific factors that determine the structure of its capital by obtaining empirical data from audited financial reports of ten Albanian commercial banks from 2008 to 2018.

This study tests the impact of profitability, growth, liquidity, deposits ratio and size on bank capital structure represented by the ratio of total liabilities to total assets. These variables are organized in a panel data structure and a multiple regression model is formed. Variables are

individually tested for stationary and collectively for multicollinearity. Then Hausman test together with the tests for the assumptions of zero conditional mean, homoskedasticity, normality and serial correlation are performed. The model is adjusted to according to the test findings, resulting to be a random effects model using period weights.

From the regression analysis, it appears that liquidity and size are significant at 5% level of significance, loans ratio and profitability are significant at 10% level of significance. On the other hand, even though signaling a positive relationship with the dependent variable, it is seen that deposits ratio is not significant and does not play a role in explaining the changes in leverage. Among the significant variables, only liquidity has a negative relationship with the dependent variable.

**Name Surname:** Erlind Meminaj

**Title of Graduation Project:** Overview of agriculture sector in Albania and importance of this sector.

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** Agriculture is the science of cultivating the soil, harvesting crops and raising livestock. This sector creates food surpluses that are used in Albania or foreign countries.

How important is agriculture sector in Albanian economy and which is its progress in years?

Agriculture sector importance for Albanian economy development in this study is concluded by empirical model and primary/secondary data analysis. Empirical model is conducted in 2008-2019 period, while data analysis is conducted in 1998-2018 period with few exemptions related to limited data. Empirical model shows the importance of agriculture sector for Albanian GDP growth while data analysis is conducted for many factors such as: different agriculture products surface, yields and production; irrigation; prices; exports and imports; farm size; budgetary support for agriculture sector and direct budgetary support for producers. Overview of agriculture sector in Albania in this study is done to emphasize its importance and progress through years. Different analysis had also given space to conclude for problems and recommendations.

**Name Surname:** Joli Dibra

**Title of Graduation Project:** Linking International Trade and Foreign Direct Investment to CO2 emissions in Western Balkan Countries.

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** International trade over the last decade has played a positive role in the development of the economies of the Western Balkan countries, together with FDI, through the entry of foreign capital, modern technologies; it has reduced the level of unemployment, has led to increased income per capita as well as GDP growth of the country, where all these have affected CO2 emissions in the environment. Through a panel data, the fixed effect model is applied for 6 countries of the Western Balkans Albania, Kosovo, Montenegro, North of Macedonia, Serbia and Bosnia and Herzegovina, in a time interval from 2009 to 2018, studying the long-term importance among 5 variables such as: GDP growth, trade liberalization, energy use, renewable energy and foreign direct investment, in CO2 emissions in the short term. This study finds that renewable energy and energy consumption have a positive effect on CO2 emissions, reducing the level of environmental pollution enabling an increase in the level of employment at the population level. On the other hand, GDP growth, international trade and FDI have a negative impact on CO2 emissions by increasing the level of environmental emissions. Among the policies proposed, it is thought to apply technology in favor of environmental protection and the creation of a structure so that management leads to the desired objective

**Name Surname:** Laureta Gjabri

**Title of Graduation Project:** Determinants of the stock prices in the renewable energy industry.

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** This study aims to investigate and analyze the main factors determining the stock prices in the renewable energy industry companies in US and Canada. The data of this study is from the years 2010-2019. The sample used in this study involves 10 companies based in US and Canada and have available data information for the period 2010-2019. The regression model in this study consists of 4 independent variables which are sales growth, number of employees (used as a proxy for company size), debt to equity ratio and return on assets, while the dependent variable is the stock price of the companies. The data analysis method used in this study is Fixed Effects Model. The results of this study are consistent with previous studies and

researches made by different authors which are mentioned in the literature review. The results of the panel data regression showed that stock price can be explained by 87% in the sample taken in study by sales growth, number of employees, DER and ROA, while 13% is explained by other variables not included in the research. The results of this study showed that sales growth has a positive and significant impact on stock prices, debt to equity ratio is found to have a negative but significant effect on stock prices, and number of employees has a significant and positive effect on stocks prices, while return on assets is found to have no significant effect on stock prices.

**Name Surname:** Misena Biraku

**Title of Graduation Project:** Credit Risk Management: A Panel Data Analysis on Commercial Banks in Albania

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** The global financial market is an extremely dynamic environment and for the financial institutions, this can bring about many types of risks. The financial performance and profitability of banks is closely related to their management of these risks. Credit risk is one of the most important types of risk that financial institutions face. The purpose of this graduation project is to identify the factors that affect credit risk and how financial institutions can manage credit risk, in order to increase their profitability and position in the market. The method used for the study was panel data regression method. The sample taken into study were six commercial banks in Albania and the period of interest were the years from 2009 to 2018. The variables selected for the study were divided into bank specific variables, such as return on assets, loans to assets ratio, capital adequacy ratio and logarithm of total assets, and macroeconomic variables, such as gross domestic product growth and consumer price index. By using a period random effect model, it was concluded that bank specific variables were all positively related to credit risk, meanwhile the macroeconomic variables were negatively related. The loans to assets ratio, capital adequacy ratio, logarithm of assets and CPI were statistically significant. On the other hand, return to assets and GDP growth rate were found to be statistically insignificant.

**Name Surname:** Saimir Peli

**Title of Graduation Project:** Factors Influencing Cryptocurrency Prices: Evidence from Bitcoin



**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** In this paper we are going to talk about cryptocurrencies and how they behave in the market. Bitcoin is one of the most common ones. Bitcoin was first introduced to the world on 9 January 2009. In this paper we are going to examine factors that influence the price of one of the most common cryptocurrency such as Bitcoin over 2014-2020 using semi-annual data. First, cryptomarket related factors such as trading volume and velocity appear to be significant determinant for Bitcoin price both in short and long-run. Also attractiveness of cryptocurrencies matters in term of their price determinant. Some other factors that affect the price of Bitcoin are CPI, GDP. Since Germany is one of the countries that Bitcoin is legal to use we are going to take the data of CPI and GDP from there, and we are going to base our study around Germany.

**Name Surname:** Xhenet Hoxha

**Title of Graduation Project:** Impact of Online Banking on Financial Performance of Banks

**Thesis Supervisor:** M.Sc. Fatbardha Morina

**Thesis Summary:** There is a wide variety of past studies done about online banking all over the world. Developed countries and developing countries likewise. In Albania however, there is a lack of studies regarding online banking. Albania first introduced online banking to the customers in 2002, American Bank of Investment being the only bank that provided such services. Nowadays most of Albanian banks have implemented online banking services due to the advantages it has for both parties involved, the bank and the customer also. Most people feel that online banking has done them a favor because they do not need to make day to day trips to the bank for every minor thing, but there are also people that argue that online banking only complicates the procedures more. The main purpose of our study is to see how online banking impacts financial performance.

## **Graduate Students' List of Theses**

**Name Surname:** Lorena Sheremeti

**Title of Thesis:** Credit Risk Management and Banks' Profitability Evidence from Balkan Region

**Thesis Supervisor:** Dr. Neril Mera



**Thesis Summary:** Nowadays banks are the largest and the most important financial institutions in the world. A good performance of banks in a country shows without doubt, financial stability for that country. As we know, there are a lot of risks that may threaten the business life of banks. This study will be focused on credit risk as the most significant risk of them all. This study tries to investigate the impact that credit risk measured by loan-loss provisions ratio, capital adequacy ratio, leverage ratio, and nonperforming loans ratio has on a bank's profitability measured by Return on assets and investigate how banks can use credit risk management process to increase their profitability. For this study is used a fixed panel data model for finding the effect of Credit risk on banks' profitability in 9 countries of Balkan region for the period 2010-2017. After the analysis capital adequacy ratio is found to have a positive effect on banks' profitability. On the other hand as expected leverage ratio and non-performing loans were found to have a negative effect on banks' profitability for the countries taken in consideration, while no evidence could be found regarding the effect of loan-loss provision ratio on ROA. All in all this study strengthens another time the theory that credit risk affects banks' profitability in a negative way and that Balkan countries should be focused on credit risk management process in order to increase profitability.

**Name Surname:** Brunaldo Bani

**Title of Thesis:** The Impact of Financial Factors on Bank Profitability

**Thesis Supervisor:** Dr. Neril Mera

**Thesis Summary:** Banking is considered as a business or as a profession which is as old as the humankind itself. It dates to the primitive form and day by day it advances up to the banking system that we have nowadays. The development of these institutions is strongly connected, also with the development of credit risk. During the period taken under the study the banking system is characterized by important changes which have direct impact on the economy of the country. The revenue of banking system has also faced some fluctuations, and thus as result of multiple factors being them domestic or foreign. The most important elements among others, on second level banks is the credit rating and thus not only by the economic crisis that have hit the system but also from the changes in international financial reporting standards. This study tends to represent the impact that specific factors have on Albanian bank's profitability on a time period of 10 years starting from 2008 till 2017, on this study were chosen 5 banks with a total of 50 observation data. During this thesis we will go through the impact that chosen variables like Gross Domestic Product, Loans given to the economy and interest rates have on the dependent

variable, which is chosen to be Return on Equity.

**Name Surname:** *Arsena Mald*

**Title of Thesis:** Interest Rates and Banks' Profitability: A Panel Data Analysis for Eurozone

**Thesis Supervisor:** *Dr. Nertil Mera*

**Thesis Summary:** Interest rates are always a matter of discussion for many researchers and its risk is of major impact in the banking sector. Since the period of crisis, developed countries have maintained low interest rates for a healthy economy cutting them almost to 0% but this has been a challenge for most of banks. There is dearth of research on this area, thus this paper seeks to find to which extent this indicator affects profitability. In general, low interest rates have a negative impact in banks profitability indicating low returns on loans and low number of deposits, as people tend to spend more. The main objective of this study is to evaluate the level of impact that interest rates fluctuations have in a bank's profit with specific regard to countries of EU which have adopted Euro as their domestic currency. Also, it aims to bring new insights and evidence to the existing literature with different explanatory variables. Extensively, the interest rate – growth nexus has been investigated by many researchers, but only few of them focused in the banking sector, especially that of the Eurozone. With the help of regression analysis, a panel data model (Fixed-Effect) is conducted where Return on Assets (ROA) is used as the measurement unit of profitability and interest rate spread volatility is the main regressor variable. Also, inflation and GDP growth are the two macro indicators for this study. Ten of Eurozone economies are taken under observation, the sample of which consists of 10 central banks of each country for 2005-2016 time period. As a data source for gathering data, the official site of each bank is used and the World Bank. We find that with every drop of interest, the profitability of banks is affected rate reversely. Hypothesis is true that this indicator has mostly a negative impact in the banks' performance. This paper leaves space for many discussions as it offers a whole new study for Eurozone.

**Name Surname:** *Manjola Tozaj*

**Title of Thesis:** The Impact of Microfinance on Poverty Alleviation: Case of Western Balkan Countries

**Thesis Supervisor:** *Dr. Nertil Mera*

**Thesis Summary:** Microfinance is of vital importance to unprivileged people in all countries, especially those in the path to development. People with otherwise no means of sustaining themselves rely on microfinance for a wide array of services. In this study, we investigate the relationship between microfinance and poverty alleviation for the case of Albania, Montenegro, and Bosnia Hercegovina. A random sample of Western Balkan Countries were selected in an attempt to draw conclusions for the main determinants of poverty alleviation, and specifically the impact of microfinance on it. This study draws on secondary data of annual frequency obtained for the period between 2007-2018. Using a fixed effects model, it was found that inflation does not play a role on our proxy of poverty alleviation. Nevertheless, total output (GDP) and microfinance (GLP) are found to be highly significant statistics-wise. This study serves as a basis for further research and it is of great interest to financial institutions and government.

**Name Surname:** *Lumturi Kalluci*

**Title of Thesis:** Fintech as a Catalyst of the Financial Transformations and Development

**Thesis Supervisor:** *Dr. Nertil Mera*

**Thesis Summary:** Fintech is the future of finance. It is becoming a global phenomenon, led by innovators and followed closely by academics. The purpose of technology is not to make finance better, but to make finance serve real life better. Financial technology has transformed the way people perceive money and value exchange in a cashless world. After the 2008 financial crash, fintech has spread worldwide by forcing the traditional players to adopt with the latest technologies. This study aims to give insights on the transformation of financial services across countries. One state does not resemble the other but in case of financial technology; they have some drivers in common. This research takes into study 50 most developed fintech countries in order to define the different economic and technological factors influencing the fintech adoption and the fintech importance on country's financial development. Both descriptive and explanatory research design will be used in the analysis of fintech. The descriptive part consists on analysing each of the drivers of fintech embracement in order to understand their impact. The explanatory approach will consist on a regression model to analyse how financial technology has affected financial development in 50 most developed fintech counties from 2009 until 2018. The results of the study will be used as a reference point to other countries not developed in fintech. This research contributes to the emerging literature on fintech as it gives an outlook on the potential future of the financial market.

**Name Surname:** *Erdrin Kaja*

**Title of Thesis:** Credit Risk Management and Profitability in Commercial Banks in Albania

**Thesis Supervisor:** *Dr. Nertil Mera*

**Thesis Summary:** The aim of this study is to show the impact of credit risk management on profitability in commercial banks in Albania. Credit risk management is becoming very important especially after the last crisis and Basel 2 and 3. Stout (2011) and Basel Committee (2010). The main source of income for commercial banks is credit, therefore managing this credit is crucial because it effects the profitability of the bank. Based on previous studies, the credit risk indicators that are chosen are Capital Adequacy Ratio (CAR) and Non-performing Loan Ratio (NOLR) and in terms of a profitability indicator, Return on Assets (ROA) and Return on Equity (ROE) are chosen. These are considered in a time series data report for all Albanian banks gathered from a period between March 2014 and March 2020. To test the data, two econometric model are used, Vector Autoregressive Model (VAR) and Vector Error Correction Model (VECM). Moreover, Granger Causality is used to determine which variable affect one another. In Albania, the interest lending is lowered significantly but the non-performing loans have decreased significantly; however, they still remain the highest in the region along with Serbia. Bank of Albania (2020). Different studies show to us different points of views for this relationship, most of them shows negative relationship. However, from the perspective of the investors, high profit is associated with high risk, so we can even expect a positive linear relationship between credit risk and profitability. Results show that there is no significant impact of credit risk on profitability, but ROA and ROE has a significant impact on CAR.

**Name Surname:** *Jon Rexha*

**Title of Term Project:** Diamond and Gold Investment in Albania: A New Prospect

**Thesis Supervisor:** *Dr. Nertil Mera*

**Thesis Summary:** Continuously individual investors, companies and portfolio managers are searching for new ways to improve their investment portfolios. The traditional portfolios which prioritize stocks, bonds and cash proved to be inefficient risk-wise during the most recent periods of global financial turmoil. The need for portfolio diversification led the financial markets to turn their attention towards alternative asset classes. Gold and other precious metals became the main

winners of this asset-demand boom period. Diamond followed as the appealing, newly discovered investment opportunity. As the financial world is leaning more and more towards this new diversification approach, we will study the diversifying potential of holding diamond and gold assets in an Albanian investment portfolio which is limited to treasury bills, cash and bank deposits. The first part of our analysis includes a first-look at the data and using a correlation matrix we estimate the diversification nature of the assets. In the second part we conduct a Vector Autoregression model (VAR) using annual macroeconomic data of Albania and evaluating the correlation of the diamond and gold prices with the economic environment. Our findings suggest that both assets can be included as potential – and stable – diversifiers. Moreover, diamond prices have low correlation with the economic environment, but interestingly, an investment in gold should be considered in regards to the economic conditions. The robustness of our findings is statistically strong.

***Name Surname:*** Pamela Miruku

***Title of Term Project:*** Customers' Perception of E-Banking in Albania

***Thesis Supervisor:*** Dr. Nertil Mera

***Thesis Summary:*** The global economy is transforming at a rapid pace with technology being the main instrument for this change. The impact of technological revolution is being experienced in all areas of life and the banking sector in Albania has witnessed the same thing. The bank is no longer confined to the traditional payment system, but it is transformed into a modern virtual banking system, through services such as e-banking. Nowadays most of the bank services are being offered online. People prefer to use these services due to the many advantages they ensure such as speed, convenience and ease. Despite the wide spread of the internet and the initiatives of the Commercial Banks to spread the understanding and the positive approach towards e-banking, the yearly statistics of the Central Bank, show a relatively slow increase in consumers' adoption to this new mean of technological achievement. The main challenge remains the consumers' perception towards the advantages and disadvantages of e-banking. There are many factors that contribute to the positive attitude towards the use of new technology, and some of them are applicable for the case of internet banking. This study focuses on analyzing primary and secondary data with the aim of finding which of these factors conclude a positive attitude and how banks in Albania are trying to convince the masses on the use of e-banking.

**Name Surname:** Arber Vavla

**Title of Term Project:** The Impact of Emigration on the Economy: The Albanian Transition

**Thesis Supervisor:** Dr. Nertil Mera

**Thesis Summary:** The aim of this thesis is to give an overview of the effects the emigration phenomenon has had in both the Albanian and the receiving countries' economies. While having both negative and positive effects, the balance shift toward the positive effect in both countries is clear and will be quantitatively described. In this thesis a comparison is done to determine the effect the remittances have on the GDP of the country, using data from official sources such as Bank of Albania and INSTAT. Using simple regression method, a clear dependency of GDP from remittances cannot be observed, proving that relationship between Albanian remittances and Albanian GDP increase still remains unclear. However, the positive impact the remittances have in the economic growth of the country can be enhanced by regulating and facilitating their exchange.

**Name Surname:** Dorina Amuli

**Title of Thesis:** The perspective of Albanian Business towards the further development of Stock Exchange Market

**Thesis Supervisor:** Erindi Allaj

**Thesis Summary:** A post communist-economy, Albania, the country in the south-eastern Europe, that has been through a long 30 years transition is trying to make a progress towards its road to EU. Through a turmoil in the first years of transition and a great difficulty in governance, over the years, this country has had some small, but radical developments in the financial system, bringing that until now Albania has a stable and a well structured banking system. Something that during these years has not developed further, remaining at a fragile phase, is the stock exchange market. This thesis will analyze in details initially the functioning of stock exchange market, Albania of the 30 years of transition and the impacts that this market model has in countries that have implemented it. Furthermore this thesis aims to analyze the readiness of Albania for such a market and impacts of it on the Albanian market and economy. The methodology used for this thesis is a mixed methodology, firstly taking into consideration the secondary data, which consist of ready data, information available for the field of study and the collection of quantitative primary data via the survey method and qualitative data via in depth interviews. The hypotheses



raised on favor of this thesis are related to the level of development that the further development of stock exchange market will bring to Albania. Later on these hypotheses are tested in the results section via the analysis and interpretation of the collected data. This thesis brings to light conclusions regarding the SEM and its relationship with other variables of the study namely GDP, business climate and foreign investments. As such this thesis develops further an uncharted area of study for the case of Albania regarding the impacts that the implementation of a stock exchange market would have in Albania.

**Name Surname:** *Regi Goga*

**Title of Thesis:** Natural Disasters and Their Impact on the Economy

**Thesis Supervisor:** *Erindi Allaj*

**Thesis Summary:** Natural disaster are a widespread phenomenon worldwide. During the last year, there were 409 natural disasters registered around the world. Beside the social costs and losses in human lives, the natural disaster have an impact on the economy. It is believed that any occurrence may have an impact on economical performance and growth. I have studied different economies to see if there is any impact in the long-run. Data collected were analyzed via econometric software to give a conclusion based on statistics. Regarding Californian case, number of disasters experienced, severity of the event, unemployment rate, house price index do not have any impact on the GDP Growth in long-run. This finding is very important as long as these phenomenon are more frequent than recent years, and finding the right policies and measurements to deal with the episodes in a way to minimize the consequences is very important, especially in developing economies.

**Name Surname:** *Arjolta Muça*

**Title of Thesis/Term Project/Graduation Project:** Factors that affect Mortgage Market- Case of Albania **Thesis Supervisor:** *Dr. Chrysanthi Balomenou*

**Thesis Summary:** Housing is one of the most important indicators of social inequality. Individuals ,are also evaluated based on the number and value of the property owned by them. The importance given by individuals to housing in the hierarchy of their needs has also made housing a problem for their respective governments. Policies of lending to banks, in particular the ratio of total income used to repay home loans vary with the income used for the consumption of goods and services from place to place. The purpose of this paper is to enhance

the factors that affected mortgage market during period of crisis, and make a comparison analysis between 2008 crisis and 2020 pandemic crisis. Even though in this situation there is an unprecedented level of uncertainty and it is difficult to make predictions. In this study are analyzed the factors that affect home loan demand in Albania in the period of 2008 crisis. The data used for the time series model is from 1990-2018, by applying the regression model we conclude that remittances are not a significant factor that affected mortgage market during this period. The regression model shows the significance of the factors that affect the home loan market in Albania. Nonperforming loans and individual deposits are significant factor that affect the supply for housing loan. By analyzing the credit status and performance over the years of the financial system in Albania, a comparison analysis is made between two periods. The Western Balkans is entering in a recession whose expanse depends on the duration of the pandemic that is out breaking in the Europe. A deeper recession than in 2008 will be seen according to the economist but that will not turn into a depression. For many reasons both crises cause a strong decline in the economy, increased unpredictably, and an increase in the unemployment rate.

**Name Surname:** *Ledjana Makishti*

**Title of Thesis/Term Project/Graduation Project:** Consumer attitude towards using credit cards

**Thesis Supervisor:** *Dr. Chrysanthi Balomenou*

**Thesis Summary:** Over the past few decades, there has been a shift in people from using traditional payment methods to digital methods, thereby creating innovation in the payment system. Nowadays, the market is determined to bring a different culture to Albania. The purpose of this study, which is based on the financial card use in Albanian market, especially in Tirana, is to ii determine the attitude of society towards these financial cards. A questionnaire distributed among 266 consumers was used for primary data collection. This study contains both qualitative and quantitative data analysis. Qualitative analysis has addressed the ABC model of behavior, and the problem of inflation caused by utilization .Quantitative analysis reveals the model statistics, as well as the study of econometric analysis, based on independent considering variables such as monthly income level, security, prestige and interest rates, which are assumed to be strongly linked with the use credit cards as well as costs incurred in using them. Age, gender, monthly income, employment status, reason for use, frequency of use per month, duration of use were considered in the statistical model. Various tests have been developed to provide an accurate assessment of the relationship of variables using IBM SPSS Statistics program. All independent variables have shown a positive impact in terms of the dependent

variable. This paper aims to show the perceptions of who use credit cards and those who hold a negative attitude about their use.

**Name Surname:** *Sabiha Mustafa*

**Title of Thesis/Term Project/Graduation Project:** How the Natural Disasters affect the Banks Stability (Survey on the Banking Sector in Albania)

**Thesis Supervisor:** *Dr. Chrysanthi Balomenou*

**Thesis Summary:** This paper studies how the natural disaster affects the banking sector. This research paper attempts to assess the effect of equity capital on stability and efficiency of the banking sector of Albania and how bank is facing the economic effects of earthquake and pandemic. Based on the research of different countries we have seen how much natural disaster have affected the economy. Rather we are focused on how natural disaster has affected the banking sector and what policies have been followed to keep banks from being threaded. Banking sector as one of the important sector of a country's economy and moreover in Albania, it is noteworthy how it will interact during a crisis. In the paper mentions some of the most influential threats that the Bank of Albania has gone through. Let's see if after a strong earthquake and a global pandemic is another threat to the bank. Our model shows that deposits, loans and assets of the bank have significant impact on equity while other variables in observation are insignificant. As a feedback we could say that the banking sector has stability and efficiency. Furthermore, the pandemic that has shaken all the economies of the countries, so far the bank it is not influencing. In the paper a comparison is made between the variables with impact on the model for statistics on this time, of the Bank of Albania and the Western Balkan Banks.

**Name Surname:** *Erisa Pajollari*

**Title of Thesis/Term Project/Graduation Project:** Impact of Exchange Rate Volatility on International Trade: Case Of USA and Canada

**Thesis Supervisor:** *Dr. Chrysanthi Balomenou*

**Thesis Summary:** The aim of this study is to investigate the impact that exchange rate volatility has on international trade flows including here exports and imports. This study is based on quarterly data from 2000-2018 making 224 observations in total. To measure the relationship between the chosen variables, it was used VAR-Vector Autoregressive Model. One of the main advantages of this model is traced back at the fact that it allows for dynamic relationship

specification. Given that we are dealing with financial and macroeconomic variables, the role of each variable cannot be expected to be immediately monitored. On the contrary, it could be expected that it takes time for the interrelationships to be obvious and manifested. All this justifies the use of VAR. In total, two equations each with three independent variables are used to answer to the research question. Regressors are selected after a deliberate literature review and they are: price level, GDP, exchange rate and its volatility. This topic is not only of great importance to policy maker, but it is also an added value to the current literature on the matter as it provides a thorough up-to-date analysis.

**Name Surname:** Kristina Cico

**Title of Thesis/Term Project/Graduation Project:** Macroeconomic Factors affecting Non-Performing Loans (Case of Albania)

**Thesis Supervisor:** Dr. Chrysanthi Balomenou

**Thesis Summary:** This Graduation thesis highlights in overall different factors affecting the Banking System in a county. As reading numerous secondary sources about Banking Industries, most of them tend to emphasize the importance of lending. Based on them and my previous work experience as Credit analyzer to a commercial bank, I tried to go further with my studies and conducting a research regarding some macroeconomic factors affecting lending portfolio of banks in Albania.

The first part of this paper studies in general the background of Banking Sector of our country, what are its component and what are those factors that play a significant role in credit activity. Moreover, analyzing some of previous literatures on this field, I tried to compare them with my own findings. A regression equation is constructed and interpreted for this purpose.

The second part of this paper defines in general the macroeconomic variables chosen by me to construct the econometric model. I observed the trend of those variables from January 2007 to September 2019, referring to the publications on Annual/Monthly Bulletins or Financial Report of Albanian Association of Banks and Bank of Albania. Each of them are also graphically illustrated.

This paper is concluded by interpreting the model through the empirical analysis, comparing them with my previous literature review.

**Name Surname:** Ardit Balliu

**Title of Thesis:** Factors affecting credit access of SMEs in Albania

***Thesis Supervisor:*** Dr. Moustapha Daouda Dala

***Thesis Summary:*** In today's Albanian market the number of SMEs is very large and they are a vital part of economic cycle. The importance of these SMEs is that comprise almost the largest number of employed people and largest numbers of entrepreneurs. It is a fact that Albania economy is led by, SMEs, it is expected that the number of SMEs is going to rise since it empowers employment and output growth. The objective of this research is to analyze the factors that affect credit access and their evolution and responses of the business. What is the nature of these factors and how do they differ among different respondents is our sample. This study is very useful to investors, entrepreneurs, government etc. The population of our study was 107269 business active in Albanian territory according to INSTAT. While the sample, taken through random sampling is 250 with 180 respondents. The data were gathered through using questionnaires and the methods used to analyze this data are explanatory factor analysis and regression analysis.. The relationship between interest and credit access according to our model has an inverse relationship, a negative one. Businesses are family based and the education of SMEs is severe plague. Higher numbers of these lending institutions has increased competition, since banks are competing for the same targets. Consequently this decreases collateral and interest requirements. Our findings suggest that the completion between these financial institutions is increasing.

***Name Surname:*** Rosela Cobani

***Title of Thesis:*** Nouvelle coronavirus and stock market fluctuations: the case of Inditex.

***Thesis Supervisor:*** Dr. Moustapha Daouda Dala

***Thesis Summary:*** This thesis is concerned with movements in Inditex stock prices, considering the Covid-19 outbreak and the economic disruption it caused. Different asset pricing theories agree that new announcements and people's expectations define individual's perception on asset value, which in turn determines their prices. There are some disagreements though, on how capable investors are to accurately seize announcements' real impact and make rational decisions accordingly. The hypothesis tested here is that past stock price and its drift, market volatility, disease fatality rate, as well as interest rate, define the changes in Inditex stock price. The results showed that besides the fatality rate, all other variables considerably influence changes in the dependent variable.

**Name Surname:** *Benuels Velaj*

**Title of Thesis:** *House price index dynamics: the case of Albania*

**Thesis Supervisor:** *Dr. Moustapha Daouda Dala*

**Thesis Summary:** House market is an important part of the economy as it stimulates the economic growth by providing new jobs and increasing overall consumption considering the fact that households who own a house tend to believe they are wealthier and consume more. However, where there is growth and prosperity, there is also risks. The subprime crisis of 2007-2008 showed how risky this market can be if not managed correctly. This study aims to assess the impact of demand and supply determinants of housing market in Albania. Autoregressive distributed lag model is the method chosen to study the cointegration relationship between chosen variables that consist of house price index, consumer price index, real estate loans, total area constructed and unemployment rate. Results show that there is long run relationship between variables when house price index is taken as a dependent variable. Also, the variables Granger-cause each other confirming the cointegrated relationship between them.

**Name Surname:** *Valeria Mema*

**Term Project:** *Factors affecting foreign direct investment in Albania*

**Thesis Supervisor:** *Dr. Moustapha Daouda Dala*

**Thesis Summary:** Foreign direct investment in Albania continues to be a very important source of capital flows and economic development. They play a very important role in the economic development of a state. In transition economies, where domestic capital is unable to meet the economy's investment needs in the transformation process, the role of foreign direct investment becomes even more important. As Albania is a developing country, this topic has become one of the most interesting to study in this research. Recent years have seen an increase in the level of foreign direct investment in the Balkan countries, including Albania. Foreign direct investment has a high impact on the economic development of the country in which they are carried out, and based on the policies that the state decides to manage in these investments, the state can have benefits and losses. This research conducts a detailed study about FDI, benefits and costs and factors that affect it. We continue with the description of countries making foreign direct investment in Albania and the measures taken by the Albanian state to further promote foreign direct investment in Albania. Thereafter, empirical evidence with data collected from the official site was developed, and some suggestions were given on.



## List of Incoming & Outgoing Students

### 1. List of Outgoing Students

Name Surname	Home University	Host University	Country	Duration of Stay
Lorela Kllloboçishta	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020
Kevin Vishe	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020
Klejda Salla	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020
Olta Muça	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020
Aleks Irakli	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020
Flavia Depa	Epoka University	University of Applied Sciences, Mainz	Germany	1 Academic Year→2019-2020

In the Department of Banking and Finance, we specify that there were no incoming students for the academic year 2019-2020.

## Research Areas and Research Groups

Research areas of the Department of Banking and Finance are as specified below:

Name	Area of Interest
<b>Assoc. Prof. Dr. Ugur Ergun</b>	<ol style="list-style-type: none"> <li>1. Financial Market's Volatility and Fragility</li> <li>2. Green Growth</li> <li>3. Recursive Co-integration</li> <li>4. Persistent Impulse Response Analysis</li> </ol>
<b>Prof. Dr. Agim Kukeli</b>	<ol style="list-style-type: none"> <li>1. Volatility in Financial Markets</li> <li>2. Game Theory and Real Options</li> <li>3. Macroeconomic Dynamics</li> <li>4. International Factor Markets</li> </ol>

***Dr. Chrysanthi  
Balomenou***

1. Monetary economics-Monetary theory and policy at European and International level.
2. Banking- Banking environment, Banking and Monetary Law, Bank Funding, Banking Marketing, Demographic factors-indicators on banking system performance in Balkans and Europe, Investment projects evaluation.
3. Regional Economics- Regional policy of European Union, Banking and Regional Development, Tourism and Regional Development, Local Entrepreneurship, Endogenous Regional Development/Growth.
4. Knowledge Economy- Entrepreneurial Universities

***Dr. Nertil Mera***

1. International Finance
2. Exchange Rate Volatility
3. International Trade
4. Financial Management

***Dr. Erindi Allaj***

1. Mathematical Finance
2. Probability and Stochastic Calculus applied to Finance
3. Statistics
4. Econometrics

***Dr. Moustapha  
Daouda Dala***

1. Banking Economics
2. Financial Stability (Prudential regulation, bank risk and performance)
3. Applied Microeconomics

***PhD.Candidate  
Fatbardha Morina***

1. The role of support schemes on financial performance of Renewable Energy Companies
2. Financial Markets
3. Climate change policies and their effect on the development of Renewable Energy companies

Research Groups for the Department of Banking and Finance are:

***Financing of SMEs***

Small and medium enterprises (SMEs) make significant contribution to the national income in developing countries. SMEs are the major source of employment and reducing the poverty in developing economies. However, SMEs face credit constrain (formal and informal) decreases their productivity performance. This research area is specifically focused on the key research questions. What are the barriers of SMEs financing in developing countries? How lack of access

to formal credit affects their performance? What are the policy solutions to improve their financing?

**Members:** Dr. Naqeeb Ur Rahman, Assoc. Prof. Dr. Eglantina Hysa, Dr. Nertil Mera, Dr. Chrysanthi Balomenou, Erinda Imeraj

For publication and projects related to the area, click [here](#).

### **Financial market developments and productivity**

**Main Objective:** to investigate the impact of financial market developments on productivity in West Balkan countries

**Description:** Financial markets play a significant positive role on the productivity of different sectors. this impact is observed at different scales in different countries with different level of development and market structure. West Balkan countries who are still in development stage need to fasten their sectors productivity to overcome serious unemployment and low level of production. Therefore, it is very crucial for those countries in the region to have fast growing financial markets.

**Data:** monthly observations of stock market indices, exchange rates, and industrial production indices obtained from Thomson Reuters data stream.

**Methodology:** 2SLS estimation method, Rolling window approach and VECM.

**Expected Results:** We expect positive strong impact on productivity which varies according to the different development levels.

**Implications:** This study is expected to deliver beneficial implications to policy makers, international portfolio investors and scholars.

**Members:** Assoc. Prof. Dr. Ugur Ergun, Dr. Chrysanthi Balomenou, Dr. Nertil Mera, Kriselda Sulcaj, and Egis Zaimaj

*For publication and projects related to the area, click [here](#).*

### ***Banking, Regional Economics and Demographic factors-indicators***

The main objective of this research is to explore and examine, thoroughly:

- a) the impact of the demographic factors / indicators on the domestic banking systems performance in Balkan countries and in a more Integrative perspective in the Mediterranean ones. More specifically, this research field investigates the implications caused, for example, by the rapid demographic aging of the population, of the examining countries, to banking liquidity, using methodologies based on the relevant theoretical framework literature review and regarding the empirical analysis, on quantitative methods. In addition, a comparative analysis between the results of the sample economies and the corresponding figures of the Eurozone countries could be, also, applied, taking into account the bad effects of the global current economic crisis, in order to find out whether and under which circumstances, the different demographic factors and indicators, like the population aging, may affect the banking system of a country in conjunction with its own specific features.
- b) the impact of the demographic factors / indicators on the domestic banking systems performance in Balkan countries and in a more Integrative perspective in the Mediterranean ones, in terms of Regional Development. Mainly, in this specific research field, are analysing, using comparison inter and intra regional research methodological approaches (qualitative and quantitative ones), the results of the participating regions that are facing serious demographic problems (such as population aging) and of those where the demographic indicators' fluctuations are in normal levels in conjunction with the effectiveness of the relevant Banking Systems contribution to the endogenous regional growth and development of the said countries, taking under consideration, their specific features and characteristics (like the rate of productivity etc)..

***Members:*** Dr. Chrysanthi Balomenou, Dr. Naqeeb Ur Rehman, Dr. Nertil Mera, Erinda Imeraj

*For publication and projects related to the area, click [here](#).*

### ***Banking Funding, Entrepreneurship and Investment Projects***

In this research we aim to explore the possibility of facilitating businesses' access to financing tools for their investment projects. In particular we try to combine the two most popular tools of the Balkan and generally Southern European Countries (like Greece, Italy, Spain etc), business community, that of subsidies / state aid and that of bank lending. Our theoretical research is based on the review of traditional and modern financial tools internationally, but also with a special reference to the specific case studies. Then, we review the terms and conditions of the evaluation process regarding funding for both credit institutions and the public sector. With focus on regional governance, through the implementation of SBA policies (Small Business Act, initiative –strategy of the E.U. for the supporting of the Small Medium Enterprises) we come up with our proposal for a common evaluation model for investment projects through a partnership between regions and banking institutions. Our main sources were current evaluating models/guidelines for investment projects from public funding. The next step, following the elaboration of the proposed common evaluation model for investment projects, is focusing on the empirical evaluation of the proposed partnership through semi-structured questionnaires. Our survey is addressing to the Regions and Banking Institutions in the examining country case studies, in order to figure out the potential/proposed Partnership is feasible and acceptable or not. The evaluation tool can be a basis for cooperation since it meets the requirements in the categories of criteria and the differentiations proposed in the individual indicators do not negatively affect the overall picture. Another key issue that we are going to investigate in this research program is the ranking and priority between the bank and the public evaluator.

***Members:*** Dr. Chrysanthi Balomenou, Assoc. Prof. Dr. Ugur Ergun, Erinda Imeraj, Kriselda Sulcaj

*For publication and projects related to the area, click [here](#).*

### ***Green Energy, Productivity and Exposure to Risk***

*“Green growth is about fostering economic growth and development while ensuring that the natural assets continue to provide the resources and environmental services on which our well-*

*being relies. To do this it must catalyze investment and innovation which will underpin sustained growth and give rise to new economic opportunities” (OECD, 2014).* OECD green growth framework includes five interrelated measurement indicators: environmental efficiency of production and changes in production patterns, environmental efficiency of consumption and changes in consumption patterns, stocks of natural capital and environmental quality, objective and subjective environmental quality of life, and responses by economic actors.

The productivity which the ability of an organization to generate higher income or value added (Mohd, Norbaizura & Ruzanita, 2013) is important in green studies. Green productivity is a new topic in the economy, so, there are yet a few literature, namely Eugene, Ping-Yu, Chi-Chung, (2013), Mohanty, Deshmukh (1999) and Tuttle and Heap (2008). The promotion of Green Productivity or eco-efficiency will encourage business to become more competitive as well as contribute much toward the sustainability of the society (Tak, Ik, & Ryoichi, 2004). Improving productivity provide companies becoming more competitive in domestic and international markets. Human wealth is also created by the productive organizations (Imre, 1997). The green growth will be examined by measuring the productivity of the renewable energy as a green production and also non-renewable energy with input-output and making comparison of each other in this study. Partial productivity ratio simple and commonly may be used in an industrial business unit in order to measure total productivity (Mika, 2002).

Green growth or green economy has been discussed with different views in the academic papers. In this research, we aim to model the profitability of green energy companies highlighting their exposure to risk compared to the other companies in different sectors. Despite the increasing interest in planning for a green growth, there are still limited scientific studies relating to green economy. Actually, this study designed for cross-country comparisons of green growth strategies by selecting the available indicators relevant to the EU countries. The research model developed in this study is expected to make significant contributions to both researcher and decision-maker of the EU countries in monitoring and adopting to the green economy.

**Members:** Assoc. Prof. Dr. Ugur Ergun, Dr. Gojart Kamberi, Egis Zaimaj



## List of Publications

1. **Balomenou, Ch.**, Babalos, V., Volterinos, D., Koulakiotis, A., St. (2020). Feedback trading strategies in international real estate markets. *International Journal of Housing Markets and Analysis*, Vol., pp. Emerald Publishing (**Certificate of Acceptance**).
2. Cela, A., **Balomenou, Ch.**, (2020), "Determinants of Subjective Well-Being: A Review of Literature". Scientific edited collection, Series: Springer Proceedings in Business and Economics, SPRINGER NATURE, ISBN 978-3-030-57953-1 SWITZERLAND AG., 2020, Vol., pp. (**Certificate of Acceptance**)
3. Morina, F., **Balomenou, Ch.**, Ergun, Ug. (2020), "*Determinants of profitability: Evidence of Renewable Energy Companies*" Scientific edited collection, Series: Springer Proceedings in Business and Economics, SPRINGER NATURE, SWITZERLAND AG., 2020, Vol., pp. (**Certificate of Acceptance**)
4. **Balomenou, Ch.**, Maliari, M., Semasis, Sp. Mamalis, S., Pavlidis, St. (2020), "Rural Subsidizes and Revealing Moral Hazard". *International Journal of Business and Economic Sciences Applied Research (IJBESAR)*, (<http://ijbesar.ihsu.gr/>), on-line (ISSN: 2408-0101) and in paper (ISSN: 2408-0098), Vol.12, Issue 3. pp. 24-35.
5. **Allaj, E.** "The Black–Litterman model and views from a reverse optimization procedure: an out-of-sample performance evaluation." *Computational Management Science* (2020): 1-28.
6. Allaj, Erindi, and Maria Elvira Mancino. "On asset-allocation and high-frequency data: are there financial gains from using different covariance estimators?" *Communications in Statistics-Simulation and Computation* (2019): 1-29.
7. **Dala Daouda M.**, Distinguin I., & Sauviat A. (2020), 'What is the information value of bank's stress tests? An Investigation using banks' bond split ratings", *Economics Bulletin*, Vol. 40 No. 1 pp. 485-499

## Under reviewing publications

- ) Publication, under peer review process, of my article Dr. Chrysanthi Balomenou (Epoka University Tirana, Albania) with co - authors Prof. Lagos,Dimitrios (University of Aegean, Chios Island, Greece), Dr. Panorea Poulaki (University of Aegean, Chios Island, Greece) and (M.Sc) Maria Lagou (University of Aegean, Chios Island, Greece) entitled: “ **Regional tourism**

**disparities in Greece"**, scientific journal, **Journal of Management Development** - JMD-07-2019-0290.

) Publication, under peer review process, of a joint article Dr. Chrysanthi Balomenou (Epoka University, Tirana, Albania) and Adelajda Doka (Postgraduate Student M. Sc), Old Dominion University, Virginia, USA, entitled: **"Impact of Syrian Refugee Wave on the Public Finance-Comparison Analysis between Germany and Greece"**, scientific journal, **Eastern Journal of European Studies**.

) Publication, under peer review process, of my (Dr. Chrysanthi Balomenou, Epoka University Tirana, Albania) article with co - authors (M.Sc) Liakos, Antonios (Hellenic Open University, Patras, Greece) and Prof. Dr.Lagos,Dimitrios (University of Aegean, Chios Island, Greece), entitled: **"How aging population, immigration and technological transition, pose challenges to the Greek secondary Banking Sector"**, scientific journal, **International Journal of Business and Globalization**.

## Projects

As from February 2019, Dr. Erinda Imeraj is the representative of Albania in the COST Action 17125 Management Committee and Working Group. COST Action CA17125 has participants from 32 countries and a life span of four years 2018-2022.

## E. Support, Resources & Representation

### *1. EPOKA University Bachelor Program in Banking and Finance Receives International Accreditation by German Accreditor Evalag*



EPOKA University is pleased to announce that its Bachelor's program in Banking and Finance within the Faculty of Economics and Administrative Sciences was awarded a Certificate of

Accreditation for full international accreditation by **Evalag**, the German evaluation and accreditation agency, for a period of six years, from March 2020 through February 2026. Evalag is a member of the European Association for Quality Assurance in Higher Education (ENQA) and follows the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG).

EPOKA's process of accreditation started in March 2019 with the preparation of a self-evaluation report based on guidelines provided by Evalag. In August 2019, the self-evaluation group submitted a report to Evalag's external review team. The external review team of experts consisted of Professor Dr. Victor Randall, Professor of Finance and MBA Director at Coburg University of Applied Sciences and Arts; Professor Dr. Christiane Weiland, Professor of Finance at Baden-Württemberg Cooperative State University; Mr. Georg Seppmann, Scientific Advisor and representative of Evalag; Mr. N. Ebersold, an expert from the banking and insurance sector; and Ms. A. Grvitishvili, a student representative from the European Student Union and expert on accreditation.

The Evalag team of experts analyzed the report submitted by EPOKA and visited the campus on the 24<sup>th</sup> and 25<sup>th</sup> of October 2019. During the site visit, Evalag team members had opportunity to meet with academic and administrative staff, students, alumni, employers and other stakeholders. At the concluding meeting of the site visit, the Evalag team stated that they were impressed with the achievements of EPOKA. Mr. Seppmann, the Evalag representative, praised the dedication of the academic and administrative staff members and the transparency of the institution. He also praised the quality of the student body as a strength of the Banking and Finance program.

After the site visit, and following feedback obtained from the Banking and Finance department, Evalag's final assessment report and Certificate of Accreditation were issued in February 2020. The final report expressed some recommendations and conditions for further improvement of the program. Among these were updating the curriculum to account for current trends and new technologies such as Fintech, Blockchain, Cyber-security, and cryptocurrency which directly impact the banking and finance sector. Another important recommendation was strengthening coordination of professional practice opportunities between EPOKA and the business sector. The Banking and Finance program welcomes the suggestions and recommendations as a means to improve the strength and quality of the program in the years ahead.

## List of Students' Internships

Nr.	Name Surname	Company
1	Florjana Ademaj	Elektro-Servis
2	Entela Myftari	Elektro-Servis
3	Pamela Miruku	Union Bank
4	Klea Mara	Epoka University
5	Hilari Abdiu	Epoka University
6	Stela Damjani	Epoka University
7	Edita Ymeraj	Epoka University
8	Keisi Bylyku	Epoka University
9	Marsild Pupa	Epoka University
10	Brikena Hasa	Epoka University
11	Florjana Ademaj	NOA
12	Ylldeze Seferi	Këshilli Bashkiak Kukës
13	Fiorela Meminaj	Auditues Ligjor
14	Kadrian Tamo	Intesa Sanpaolo Bank
15	Maksimilan Keshi	Credins Bank
16	Klea Kormaku	Intesa Sanpaolo Bank
17	Klauda Bregu	Studio Ligjore Mullaraj
18	Aleksandra Pacili	Alpha Bank
19	Andrea Palla	Union Bank
20	Skerdi Bime	Intesa Sanpaolo Bank
21	Denis Shameti	Raiffeisen bank
22	Denis Shameti	NOA Bank
23	Eden Prapa	UBA Bank
24	Fiorela Meminaj	Agjensi Shtetërore e Kadastrës (Vlorë)
25	Klaudia Bregu	Studio Ligjore Mullaraj

## Participation in Academic Events

- Dr. Chrysanthi Balomenou participated in the 9th Inter science Conference organized by National Metsovio Polytechnic School***



Dr. Chrysanthi Balomenou participated in the 9<sup>th</sup> Inter science Conference organized by National Metsovio Polytechnic School, held in Metsovio, Epirus Greece between

September 26-28, 2019. The 9<sup>th</sup> Inter science Conference took place at the Metsovio Center of Inter Science Research

The aim of the conference is to present new research results as well as the dissemination of methodologies for analysis and decision making in the field of Strategic Management and policies for the integrated development of the Mountainous and Isolated Greek territories. Also, in the conference were organized round table that discuss “Specific local problems that are facing the Mountainous Isolated Areas and the relevant ways of solving their problems.

Dr. Chrysanthi Balomenou participated by presenting the paper “European Union’s Policies and measures for enhancing the primary sector: Case study farmers of Greek mountainous areas.”

### **Student Best Success Stories**

## **Office Holders**

The department would like to thank all the above-mentioned staff for their valuable contribution to teaching, administration and management over the past year. Also, we thank the following offices for providing the necessary information on time making it possible the finalization of the report on time:

1. Finance Office
2. ITC Office
3. CPAO Office

## **Acknowledgements**

The department would like to thank the full time and part time academic staff, research assistants, and teaching assistants for their valuable contribution to teaching, administration and management over the past year. In addition, the department express special thanks to Ms. Erisa Pajollari and Ms. Fatbardha Morina for her excellent effort in administration and generous help in preparing this report.



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