29 January 2015

Information on the Final Examination and Grading

Final Examination will cover the topics and examples presented in the lecture notes and tutorials. Students who have to take the retake examination will be credited from the grades they receive from Assignments and Project with respect to the weights given to them, as it is announced in the outline at the beginning of the lecture.

*Participating to the final and retake examination without completion of the assignments and project is not recommended.*

2014-2015 Winter Semester Course Guide

1. Risk management definition, steps and major techniques;
2. Risk aversion properties, coherent risk measures
3. Utility and Jensen’s inequality, Determination of optimal premium by utility theory
4. Generating random variables from distributions, Simulation.
5. Understanding and interpreting the basic stochastic processes in finance
6. Risk categories and their managements: Market risk management, credit risk management, operational risk management, investment risk management
7. Hazard rate, recovery rate, credit ratings
8. Determination of VaR, CVaR.
9. Stress testing, back testing.
10. Managing linear risk: comparison between correlation and copulas
11. The Greeks and their interpretations
12. Linear models such as ARMA(p,q), GARCH models: Validation of the models and interpretation of the coefficients, graphs.
13. Interpreting and reading risk indicators for the case studies