### Learning Outcomes

Students gain a detailed insight into the process of risk management and are given an overview on derivative strategies. The lecture is accompanied by a tutorial featuring brief examples and additional exercises. Students can analyze and apply strategies on the management of stock, interest rate, currency, credit and commodity risk – all based on advanced theoretical concepts.

### Course Outline

Main content areas (non-exhaustive and subject to changes without prior notice):

- Theoretical and Practical Aspects of Risk Management
- Risk Measurement (esp. Value-at-Risk, Lower Partial Moments)
- Derivative Markets and Risk Management
- Pricing of Options (esp. Black/Scholes)
- Hedging Positions in Options (esp. Greeks)
- Stock Price Risk Management
- Interest Rate Risk Management
- Currency Risk Management
- Credit Risk Management
- Commodity Risk Management

### Teaching Mode

Lectures (2 hpw), tutorials (1 hpw). Both the lectures and tutorials are interactive. In-class and take-home case studies are used to highlight theoretical and practical problems. Independent study and reading is necessary. Literature is specified at the beginning of the course.

### Literature


### Recommended Prior Knowledge

Good knowledge in the concepts of finance and in financial mathematic is presupposed.

### Prerequisites

None. Please look out for announcements on the BWL I website.

### Assessment

60 minute written exam at the end of the course. Participating in all the course sessions, preparing case studies as a home work, discussing case studies actively in the plenary sessions.

### Workload

- Attendance lectures: 30 hrs
- Attendance tutorials: 15 hrs
- Independent study (incl. preparation and reading for case studies, tests and lectures): 135 hrs
- Sum: 180 hrs

### ECTS-credits

6 credits.

### Time Span

1 semester (lecture 2 hpw, tutorial 1 hpw)

### Frequency of course

Every second semester (currently summer semester)