

5.0 credits	30.0 h + 15.0 h	1q
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Teacher(s) :	Devolder Pierre ;
Language :	Français
Place of the course	Louvain-la-Neuve
Main themes :	The main theme is the study of interest rates products. After an introduction devoted to the interest theory, the theory of loans and bonds is developed. The management of interest rates risks is finally analysed.
Aims :	The aim of this course is to present the basic methods of financial deterministic mathematics. At the end of the course, the students must be able to price simple financial products and manage the risks associated with different interest rates. <i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i>
Content :	<p>Content</p> <p>The following topics will be developed:</p> <ol style="list-style-type: none"> 1. Generalities on interest 2. Principle of simple interest 3. Principle of compound interest 4. Financial structure with more than 2 cash flows - simple interest 5. Financial structure with more than 2 cash flows - compound interest 6. Annuity 7. Loans 8. Bonds 9. Term structure of interest rates 10. Spot rates 11. Risks of interest rates 12. Duration, convexity and immunisation <p>Methods</p> <p>In-class activities</p> <p>X0 Lectures</p> <p>X0 Exercices/PT</p> <p>At home activities</p> <p>X0 Exercices to prepare the lecture</p> <p>X0 Paper work</p>
Other infos :	<p>Evaluation : Class participation and written examination, in French</p> <p>Support : Slides provided through icampus</p> <p>References : based on the book : "le financement des régimes de retraites" (Pierre Devolder, Economica, Paris)</p>
Cycle and year of study :	<p>> Master [120] in Mathematical Engineering</p> <p>> Master [120] in Actuarial Science</p> <p>> Master [120] in Statistics: General</p> <p>> Master [120] in Mathematics</p>
Faculty or entity in charge:	LSBA