

5.0 credits	30.0 h	2q
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Teacher(s) :	Henrard Luc ;
Language :	Anglais
Place of the course	Louvain-la-Neuve
Main themes :	Two main themes are addressed in this course. The course starts with a balanced sheet approach for risk and performance. Then an economic view is adopted to measure the bank risk-return trade-off. Calculation of the level of economic capital is studied in the case of market risk and credit risk.
Aims :	<p>Students should be able to read and understand bank financial statements and to realize a UBPR (Unified Bank Performance report). Bank economic performance and risk management are covered in the second part of the course with a focus on interest rates and credit risk management</p> <p><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></p>
Content :	<p>The course gives an overview of the different item of the bank balance sheet and the link between the income statement and the actual assets and liabilities. Performance is first analyzed with standard methods based on ratios. Then an economic approach is taken to estimate the bank and the business units performance (RAROC, RORAC). Measures such as Expected Loss, Unexpected Loss and Value at Risk are developed. Students will have to complete a business case related to risk management.</p> <p>Content</p> <ul style="list-style-type: none"> Asset and liabilities Off balance sheet Income statement Performance analysis Economic capital Return adjusted to risk (RAROC, RORAC) Interest rate risk Credit risk Asset Liability Management (ALM) <p>Methods</p> <ul style="list-style-type: none"> In-class activities <ul style="list-style-type: none"> - Lectures - Project based learning At home activities <ul style="list-style-type: none"> - Paper work

<p>Other infos :</p>	<p>Prerequisites (ideally in terms of competencies) Basic economics, financial markets and financial instruments</p> <p>Evaluation : Class participation and oral examination, in French or English Final evaluation is based on the paper work for 1/3 of the final note. 2/3 of the final note results from an written exam.</p> <p>Support : Books and articles available at the library (either paper or electronic review). Slides that summarize lecture contents are available on i-campus.</p> <p>References : Provide during the class</p> <p>Internationalisation - international content (does the course tackle international issues related to the course content ?) - international case study</p> <p>Corporate features - corporate guest</p> <p>Skills - team work</p>
<p>Cycle and year of study :</p>	<p>> Master [120] in Management > Master [120] in Business engineering > Master [120] in Management > Master [120] in Business Engineering</p>
<p>Faculty or entity in charge:</p>	<p>CLSM</p>