



UNIVERSITÀ DEGLI STUDI DI PALERMO

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| DEPARTMENT | Scienze Economiche, Aziendali e Statistiche | | |
| ACADEMIC YEAR | 2021/2022 | | |
| MASTER'S DEGREE (MSC) | ECONOMIC AND FINANCIAL SCIENCES | | |
| SUBJECT | RISK MANAGEMENT | | |
| TYPE OF EDUCATIONAL ACTIVITY | B | | |
| AMBIT | 50494-Aziendale | | |
| CODE | 15506 | | |
| SCIENTIFIC SECTOR(S) | SECS-P/11 | | |
| HEAD PROFESSOR(S) | SCANNELLA ENZO | Professore Ordinario | Univ. di PALERMO |
| OTHER PROFESSOR(S) | | | |
| CREDITS | 6 | | |
| INDIVIDUAL STUDY (Hrs) | 114 | | |
| COURSE ACTIVITY (Hrs) | 36 | | |
| PROPAEDEUTICAL SUBJECTS | | | |
| MUTUALIZATION | | | |
| YEAR | 2 | | |
| TERM (SEMESTER) | 1° semester | | |
| ATTENDANCE | Not mandatory | | |
| EVALUATION | Out of 30 | | |
| TEACHER OFFICE HOURS | SCANNELLA ENZO Tuesday 09:00 12:00 Dipartimento SEAS, Edificio n.13, 4° piano. stanza n. 4.13. | | |

DOCENTE: Prof. ENZO SCANNELLA

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| PREREQUISITES | The academic requirement that must be satisfied before enrollment in this course are: economics of financial systems, economics, financial mathematics, business and management. |
| LEARNING OUTCOMES | Knowledge of Students acquire fundamental knowledge of risk management in the economics of financial institutions, with reference to the instruments and methodologies that banks use to assess, evaluate, and manage market, credit, liquidity, and operational risks. Ability to apply knowledge Students will be able to apply knowledge to manage financial and non-financial risks in banking. Comprehension of Students will be able to understand and interpret learned information and to put ideas and concepts to work in solving problems of risk management in banking. Ability to communicate Students will be able to articulate the principles of risk management in banking and the significance of these for risk assessment and capital allocation in banking. Ability to learn Students will be able to collect and organize appropriate risk management data for the different methodologies for evaluating and managing market risks, credit risks, operational risks, and liquidity risks in banking. |
| ASSESSMENT METHODS | Written exam. The exam is divided into three parts: -first part (multiple choice): it aims to mainly evaluate the qualitative knowledge of the students. There are 12 closed questions and four possible answers. -second part (problems and exercises): it aims to mainly evaluate the quantitative knowledge of the students. There are two problems and exercises to be solved. -third part (essay): it aims to evaluate the learning outcomes of the course. There are three short essays. Description of the assessment methods: -excellent (30 e 30 e lode): excellent level of knowledge, use vocabulary appropriate, good analytical skills. The student is able to apply knowledge to solve problems. -very good (26 29): very good level of knowledge, good use of appropriate vocabulary. The student is able to apply knowledge to solve problems. -good (23-25): basic level of knowledge, acceptable use of appropriate vocabulary. The student demonstrates limited ability to apply knowledge to solve problems. -satisfactory (20 22): not adequate level of knowledge of the main topics of the course; satisfactory use of appropriate vocabulary. The student demonstrates inadequate ability to apply knowledge to solve problems. -sufficient (18 19): minimum level of knowledge of the main topics of the course, sufficient use of appropriate vocabulary. The student demonstrates scarce or non existent ability to apply knowledge to solve problems. -insufficient: the student has an insufficient and not acceptable level of knowledge of the topics of the course. |
| EDUCATIONAL OBJECTIVES | This Course will examine the risk management in the economics of financial institutions. The course focuses on the ways in which banks assess, measure, and manage market risks, credit risks, operational risks, and liquidity risks. The course aims to encourage students in active discovery of knowledge of fundamental issues in risk management. This Course will cover the following topics: introduction to risk management in the economics of financial institutions; measurement and management of market risk; measurement and management of credit risk, liquidity risk, and operational risk; financial regulation and risk management; innovation and financial instability. |
| TEACHING METHODS | Lectures - Working Groups - Case Studies - Workshops. |
| SUGGESTED BIBLIOGRAPHY | - SAUNDERS A., MILLON CORNETT M., ERHEM JAMTS O., Financial Institutions Management. A Risk Management Approach, McGraw-Hill, 10th Edition, 2021 (except the following chapters: 4, 5, 6, 16, 18, 20, 22). International Student Edition. -KERN ALEXANDER, Principles of Banking Regulation, Cambridge University Press, 2019 (chapters: 1, 2, 4, 6, 10). - Articles, Reports, Working Papers, and Chapter Readings suggested in class. |

SYLLABUS

| Hrs | Frontal teaching |
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| 2 | Introduction to Risk Management in the Economics of Financial Institutions. |
| 6 | Credit Risk: Measurement and Management |

SYLLABUS

| Hrs | Frontal teaching |
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| 4 | Market Risk: Measurement and Management. |
| 4 | Market risk data analysis using Excel. |
| 4 | Liquidity Risk: Measurement and Management |
| 2 | Operational Risk: Measurement and Management |
| 4 | Financial derivatives and risk management: case studies and problems |
| 6 | Financial Regulation and Risk Management |
| 4 | Risk Management and Financial Intermediation: Innovation and Financial Instability. |