Risk Management and Assessment:
Concepts and Applications in the Banking Sector

Inhalt:
The module extends the consideration of symmetric risk measures known from the elementary decision theory by measures for one-sided deviations and capital-related risk concepts. In terms of applications, the focus of the module is the consideration of regulatory requirements for the assessment of risks in the banking sector.

Content:

1. Introduction
   a. Risk and risk management
   b. Connections to decision theory
   c. Bank-specific aspects

2. Risk
   a. Brief description of type I measures
   b. Quantiles
   c. Recesses to type II measures
   d. Quantification of risk measures
   e. Banking risks

3. Capital
   a. Core capital
   b. Supplementary capital
   c. Equity capital
   d. Capital buffer
   e. Leverage ratio

4. Pillar I
   a. Underwriting risks with equity
   b. Credit risk (counterparty risk)
   c. Operational risk
   d. Market risk

5. Practice Lecture
**Competencies:**

After completing the module "Risk Management and Assessment: Concepts and Applications in the Banking Sector" students are able to:

i) to assess the suitability and problems of asymmetric risk measures,

ii) address significant risks in the banking sector and understand their treatment on the basis of regulatory requirements; and

iii) to recognize the conceptualization of risk as actuarial reserve required as a systematic platform for these aspects for the banking sector.

Please note the following:

For students under the current examination regulations, no special arrangements are required.

Students who are still affected by the old examination regulations, please contact Ms. Kuhn from the office of the dean of studies from faculty of business management and economics.