

FINANCIAL RISK MANAGEMENT

Introduction

Development, implementation and evaluation of a risk management plan for the organisation is an integral part of its strategic plan. It incorporates an assessment of potential risks facing the organisation and the development of plans to mitigate risk situations through elimination, isolation and protection.

This course provides an introduction and overview of risk management as part of the strategic plan for the modern organisation

Pedagogy

Online Classes

Number of Videos: 76+

Number of PDFs: 7

Duration

50 Hours

Eligibility

Anyone

Assessment

Final Exam

Certified By

MaGE

Who Should Attend

- Risk Professionals who need certification
- Finance, Account and Banking Professionals trading in stock market
- Students of CA, Commerce, Finance

Topics Covered

1. Foundations of Risk Management
2. Quantitative Analysis
3. Financial Markets and Products
4. Valuation and Risk Models

Learning Outcomes

Upon completion of the program the student will be able to

1. Understand the trade-off between risk and return, the construction of efficient portfolios, fundamental asset pricing models, and enterprise risk management frameworks are covered.
2. Understand basic probability and statistics, regression and time series analysis, and various quantitative techniques useful in risk management such as Monte Carlo methods and volatility forecasting models.
3. Know about different financial products and the markets in which they trade.
4. Learn valuation techniques and risk models including coverage of basic bond valuation



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Unit 1: Foundations of Risk Management

Introduction to Financial Risk Management – Risk Management Process – Value at Risk and Risk Adjusted Return on Capital – Risk Management Tools – Extreme Market Movements – Markowitz Portfolio Theory – CAPM or APT – Performance Management – Case Studies

Unit 2: Quantitative Analysis

Quantitative Analysis – Probability Basics – Moment of Statistical Distribution – Hypothesis Testing – Chi Square and F Test – Covariance and Correlation – Regression Analysis – Explained and Unexplained Variation – Residual Analysis – Estimating Volatilities and Correlation – Monte Carlo Simulation – Quantitative Analysis

Unit 3: Financial Markets and Products

Introduction to Derivatives – Futures Contract – Options – Hedging – Forward Rate Agreements – Credit Derivatives

Unit 4: Valuation and Risk Models

Valuation and Risk Models – Option Greeks Delta – Option Greeks Gama – Option Greeks Theta – Option Greeks Vega – Option Greeks Rho – Bond Valuation Duration and Convexity

