

Master of European and International Private Banking (M2 EIPB)

Titre du Cours:	Analysis of Credit Risk and Insurance (GMEIPB52)
<i>Course Title:</i>	
Heures:	20
<i>Lecture hours:</i>	
ECTS Credits:	3

➤ **PRE-REQUIS-PRE-REQUISITE**

Financial markets, Banking, Corporate finance

➤ **OBJECTIFS PÉDAGOGIQUES DU COURS / LEARNING OBJECTIVES**

After studying this lecture students should be able to:

- define and identify the major types of risks
- define risk management and explain the objectives of risk management
- explain the major risk control and financing techniques
- analyze the credit risk
- identify various credit risk management techniques
- understand how insurance helps to handle some personal or commercial risks
- know the basic insurance concepts
- understand essential insurance terminology
- explain the role of insurance in risk management
- understand the methods of dealing with various business loss exposures.

➤ **CONTENU DU COURS/ DESCRIPTION OF THE COURSE**

After studying this course students will know the fundamentals of risk management and the role of insurance as an important technique for handling risk. In this framework, this lecture develops a detailed analysis and treatment of the credit risk. Learning objectives of this course include: to define and identify the major types risks, to explain the objectives of risk management, to analyze and learn how to handle the credit risk, to learn the basic insurance concepts, to improve the students understanding of insurance in order to become more knowledgeable consumers.

➤ **LISTE DES SUJETS OU RESUME DES SÉANCE/ TOPICS OF EACH SESSION OR SUMMARY OF THE COURSE**

The first part of the lecture provides a comprehensive discussion about the nature and treatment of risk. Students will learn the concept of risk and will identify the major types of risks faced by individuals and companies. Next, we examine insurance as an important technique for handling risk, learning the basic characteristics of insurance, major types of insurance, as well as its social benefits and costs. The following section we discuss the fundamentals of risk management, explaining the objectives of risk management and various techniques for treating loss exposures. The final section develops a detailed analysis of credit risk and its management. In the second part of the lecture we examine the fundamental legal principles of insurance, legal characteristics of the insurance contracts, structure and evolution of the insurance market. In the final part of the lecture students will learn the major functional and financial operations of the insurance companies.

➤ **METHODES D'EVALUATION (CONTROLE CONTINU) / EVALUATION AND GRADING**

Attendance : 20%
Class participation : 30%
Written test : 50%

➤ **REFERENCES BIBLIOGRAPHIQUES / BIBLIOGRAPHY**

Required

Rejda, George E., McNamara, Michael, *Principles of Risk Management and Insurance*, Pearson International edition, 12th.ed., 2014, ISBN-10: 0273789945, ISBN-13: 9780273789949.
Mishkin, Frederic and Stanley Eakings, *Financial Markets and Institutions*, 8th edition, Pearson Global Edition, 2016, ISBN-13: 9781292062484.

Suggested

Dorfman, Mark S., Cather, David. *Introduction to Risk Management and Insurance*, 10/E, Pearson, 2013, ISBN-10: 0131394126, ISBN-13: 9780131394124;
Thoyts, Rob, *Insurance Theory and Practice*, ed Taylor & Francis Ltd, Routledge, 2010, ISBN: 978-0-415-55905-8;
Vaughan, Emmett J. Vaughan, Therese M. *Fundamentals of Risk and Insurance*, Wiley; 10th edition, 2008, ISBN 978-0-470-08753-4.