

Module EC3: Credit-Risk Management				Study programme	MBA english
Modul type:	ECTS-Points:	Workload:	Study stage:	Module duration:	
Elective	1	30	3rd or 4th	4 sessions	
Course(s):			Contact hours:	Independent study-hours:	Planned groupsize (max.):
Course: Credit-Risk Management			16	14	15
Intended Learning Outcomes:					
<p>This course aims to develop a deep understanding of credit risk. Students will be enabled to assess the main factors influencing credit risk from a stand-alone and a portfolio perspective. Moreover they will be enabled to discuss credit-risk instruments. As the content is developed from the point of view of a bank the course will deliver a critical understanding for the role of credit risk for financial decisions of any firm.</p>					
Description / Contents:					
<p>Core topics in this course are:</p> <ul style="list-style-type: none"> - Measuring Stand-Alone Credit Risk <ul style="list-style-type: none"> o Expected Losses and Unexpected Losses o Rating Assignment Process o Rating Quantification and the Definition of Default (PD) o Estimating Loss Given Default (LGD) o Estimating Exposure at Default (EAD) - Collaterals and Covenants - Measuring Credit-Portfolio Risk <ul style="list-style-type: none"> o Modeling Credit-Portfolio Risk: The General Framework o Modeling Credit-Portfolio Risk: Alternative Approaches - Managing Credit-Portfolio Risk <ul style="list-style-type: none"> o Risk Strategies and Credit Limits o Risk-Adjusted Performance Measurement o Loan Syndication o Asset Securitization o Credit Derivatives <p>Basic Literature:</p> <p>Gup, B.E., and J.W. Kolari: Commercial Banking. The Management of Risk, 3rd ed., Wiley & Sons 2005.</p>					

Saita, F.: Value at Risk and Bank Capital Management, Academic Press 2007.
Language:
Course is taught in English.
Teaching methods:
Lecture, case work, self-study.
Module applicability:
MBA „General Management“ - english
Pre-requisites/Requirements:
Admission to the MBA-programme “General Management” – english
Examination Types:
Homework paper (case based)
Requirement for award of ECTS-points:
Successful participation in the exam.
Course availability:
Annually
Assessment:
The exam of this module counts for 4.5 per cent of the final examination
Modul convenor and main lecturer:
Prof. Dr. Christoph J. Börner
Further information:
Material for the course will be provided online.
Module Version:
14.07.2014