

III RD BBA VI SEM

Risk Analysis and management

UNIT –I

- 1.The concept ,nature ,need and scope of risks
2. measurement of risks
- 3.indentification and evolution of risk?
- 4.types of risk
- 5.product market risk and capital market risk
- 6.isk management process- pre- requisites and fundamentals?
- 7.risk management approaches and methods
- 8.Risk reporting process – internal and external?

Unit -II

- 1.the concept of value AT Risk (VAR)
- 2.cashfolw AT Risk (CAR)
- 3.Managemaent risk when risk is measured by VAR or CAR
- 4.Alset-liabalilty management (ALM)
5. management of interest rate risk
- 6.management of liquidity rate risk
- 8.management of exchanged rate risk

UNIT-III

- 1.The concept of derivatives
- 2.indivisuals,speculators,hedgers,artitrageurs and other,speculators in derivatives market.

3.forward contracts:- Definition ,features and pay off profile of forward contract

4.forward contracts to manage internet rate risk?

5.Differences between forward contracts and fultures contracts

6.risk management with futures contracts:- the hedge radio the portfolio approach to a risk - minimizing headge?

UNIT-IV

1.swaps – definition ,types of swaps-internet rate swaps and currency swaps?

2.intrest rate swaps

3.pricing of interest rate swaps at origination

4.currency swaps ,types of currency swaps

5.using currency swaps to lower borrowing costs in foreign country

6.valuation of currency swaps:--

Pricing of currency swaps at origination

Valuing of a currency swaps after origination.

Unit –V

1. Definition of an option – types of options ,call optional .American and European option.
2. Options in the money , at the money and out of the money ,option premium ,intrinsic value and time value of options
3. Pricing on stock indices and currencies.
4. Options on stock intrinsic and currencies
5. Strategies for options contracts (bull/bear spread)
- 6.