Alternative Finance

ECTS : 3

Description du contenu de l'enseignement :

The aim of this course is to propose an out-of the box perspective upon the financial markets and to explore the financial universe beyond the traditional investments like equity, bonds, currency… . We will focus the course on the products and technics used at the fringe of finance including crowfunding, peer-2-peer finance, shadow banking, Bitcoin, social and environmental impact products….

Throughout this course students will learn about alternative investment supports and alternative financing solutions. The objectives of this lecture are:

- To understand the mechanism of alternative risks: global warming, catastrophic events including on the economy, …
- To explore new area including Environmental, Social, and Governance (ESG) Investment, cryptocurrency etc..
- To get familiar with modelling methods specific to alternative finance.

Course outline:

1. Alternative finance 101
Two faces of the same coin: as investors or as issuers.
2. Modelling methods for alternative finance
   - Introduction to the non-Gaussian universe
   - Real Option Theory
   - Extreme value theory

3. Crypto-currencies: an alternative financial universe
4. Environmental, Social, and Governance (ESG) Investment
5. Crypto-currency : an alternative financial universe.
6. Alternative capital markets and Fintechs: Focus on Crowdfunding and P2P finance
7. Alternative Risk Transfer
   - Climate risks
   - Insurance and re-insurance. Focus on CAT Bonds

8. Fintech workshop (industry view)

Compétence à acquérir :

Knowledge on the modelling methods specific to alternative finance.

Mode de contrôle des connaissances :

Project

Bibliographie, lectures recommandées :

- Alexandridis, A. K. and A. D. Zapranis, 2013: Weather Derivatives, Springer, 300 pages.
- Barrieu P., and L. Albertini, 2009: The Handbook of Insurance-Linked Securities, Wiley, 398 pages.
- Frunza, M., 2010: Carbon allowances: A new financial asset, Editions universitaires europeennes, 164 pages.
- Guthrie G., Real Options in Theory and Practice, 2009, OUP, 432 pages.