Risks in banking

ECTS : 3

Description du contenu de l'enseignement :

The global financial system is shifting towards new sustainability goals, developing innovative social and environmental finance tools that cannot be ignored by market participants, whether they are industry, finance players including entrepreneurs. Understanding sustainable finance is key to meet the new expectations in accessing capital flows. It first requires assessing the global risk profile of assets for both equity and credit valuation as well as the evolving critical issues of financial stability, increasingly threatened by the effects of today's unsustainable economy. It also requires the integration of so called non-financial indicators in order to expand the scope of risk management to emerging issues such as climate change, biodiversity, inequality, human and natural capital with new KPIs, known as ESG (Environment, Social and Governance). The objective is there twofold: to prevent new financial crisis and meet the global social and ecological challenges faced by the humanity. It also requires mobilizing most of the existing financial flows to support the needs of the low carbon economy as well as of the sustainable development goals and keep track with the new policy signal and regulatory incentives.

Compétence à acquérir :

Capital markets, Regulation, Risk Management

Mode de contrôle des connaissances :

Score on 1/ Case Studies presentations and 2/ active participation to the class

Bibliographie, lectures recommandées :

1. Risk Management and Financial Institutions, John C. Hull (Wiley) 2. Evolutions in Sustainable Investing, Cary Krosinsky 3. Green Finance, Beat Bürgenmeier (Person) 4. The Economics of Sustainable Development, Jean-Michel Lasry & co, (Economica) 5. Positive Finance, Philippe Zaouati (édition de l'Echiquier) 6. La Finance Autrement, Bernard Paranque, (Revue Banque édition) 7. La Finance Climat, Pierre Ducret et Maria Scolan (les petits matins)