**Module Descriptor**

**Financial Risk Management in European Banking**

Module Code: AFE7001-A  
Academic Year: 2018-19  
Credit Rating: 10  
School: School of Management  
Subject Area: Accounting, Finance and Economics  
FHEQ Level: FHEQ Level 7 (Masters)

Pre-requisites:  
Co-requisites:

**Contact Hours**

<table>
<thead>
<tr>
<th>Type</th>
<th>Hours</th>
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<tbody>
<tr>
<td>Lectures</td>
<td>30</td>
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<tr>
<td>Directed Study</td>
<td>70</td>
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**Availability Periods**

<table>
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<tr>
<th>Occurrence</th>
<th>Location/Period</th>
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<tbody>
<tr>
<td>BDA</td>
<td>University of Bradford / Semester 2 (Feb - May)</td>
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**Module Aims**

This module is studied as a one week block and is taught at ESC Toulouse in France. The module aims to assist students to develop a comprehensive understanding of the main dimensions of International Finance in the context of European Banking; critically evaluate the impact of European financial integration on the performance of financial firms and the importance of risk management in the value creation process.

**Outline Syllabus**

European Monetary System - how it works; towards EMU; single currency vs common currency  
Financial Implications of European Integration - the Treaty on European Union; implications for firms; implication for states  
Managing the Foreign Exchange Risk - the foreign exchange market; how to measure the
foreign exchange risk; how to cover the foreign exchange risk internally and externally (Options, Forward market)
Managing the Risk of Fluctuations of Interest Rates - the 'New Monetary Market'; how interest rates fluctuate; how to measure the risk of interest rates internally and externally (Options, Swaps, FRA, Caps, Floors, Collars)
Country Risk Analysis - what is country risk; country risk and international indebtedment; how to measure it and cover it for firms and for banks.

Module Learning Outcomes
On successful completion of this module, students will be able to...

1. Comprehensive understanding of the nature and operations of European and, more widely, international financial markets and understand the strategies of the main European firms and banks, and the nature of international risks;

2. Develop a working practical knowledge of financial and risk management tools used in international business;

3. Be able to apply theory to solve international cases; acquire and use data to solve complex issues; and communicate and work effectively in a team.

Learning, Teaching and Assessment Strategy
This module is part of the Study Abroad programme and is taught on a week block basis at ESc Toulouse. Teaching methods will be a mixture of lectures, discussion, company visits and visiting speakers, and private study. The Examination for this module will take place on the final day of teaching.

Mode of Assessment

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<tr>
<th>Type</th>
<th>Method</th>
<th>Description</th>
<th>Length</th>
<th>Weighting</th>
<th>Final Assess'</th>
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<tbody>
<tr>
<td>Summative</td>
<td>Examination - open book or seen paper</td>
<td>Open book examination</td>
<td>2 hours</td>
<td>100%</td>
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Legacy Code (if applicable)
MAN4028M

Reading List
To view Reading List, please go to rebus:list.