

Nombre de crédits : 4
Langue d'enseignement : English
Responsable du cours : KALAITZOGLOU
IORDANIS **Enseignants :** KALAITZOGLOU IORDANIS

≡ DESCRIPTION DU COURS

This module aims at addressing the key aspects of business valuation in the current economic climate. The first part focuses on the contexts of evaluation, the main methods and the importance of the evaluation process. An important part is devoted to the cost of capital and the components of various sources of capital. It is then possible to present the main evaluation methods and implement them in practical examples and actual case studies. Some case studies are carried out by professionals. The final session will open the debate through a reflection on the contributions and limitations of the method of real options.

≡ OBJECTIF DU COURS

At the end of this module, students should be able to:

- Compute the WACC and its components
- Use different techniques to value a firm
- Understand, search, seek and extract relevant information from various data sources
- Extract Information from the main financial statements
- Update and Adjust current figures
- Estimate Discount Rates
- Estimate Cash Flows
- Estimated Discount Rates
- Decide on what is the most appropriate evaluation for different companies
- Develop a group report

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse
Learning objectives C4B	LO1 - Développer un esprit critique
Outcomes	Niv. 2 - Formuler un avis propre et argumenté

Learning goals C4B	LG5 - Coopération
Learning objectives C4B	LO14 - Travailler en équipe
Outcomes	Niv. 2 - Contribuer à l'élaboration d'une production collective

≡ CONCEPTS ENSEIGNÉS

- Discount Rates
 - o Cost of Equity
 - o Cost of Debt
 - o WACC
- Estimate Cash Flows
 - o Measure and Update Earnings
 - o From Earnings to Cash Flows
- Estimate Growth
 - o Stable
 - o 2-stage Growth Models
 - o 3-stage Growth Models
- Relative Valuation
 - o Earnings Multiples
 - o Book Value Multiples
 - o Sales Multiples
- Real Options
 - o Option to Expand
 - o Option to Abandon
 - o Option to Delay
 - o Equity as an option to liquidate

≡ MÉTHODES PÉDAGOGIQUES

10 x 3 hour lectures will be used to introduce new material and to expand areas of financial theory but much of the learning will be done through case study work. Students will be required to analyse a situational problem and to put forward a solution for discussion.

≡ TRAVAIL ATTENDU ET ÉVALUATION

Mid-term exam : Group Coursework 30% of the final mark
Final Exam : Written Exam, 70% of the final mark, open book, calculator needed

For the group project, you will know your group and group members by the end of the first week of the module.

Late submissions will be penalized by 10%/day (max 30%) reduction of the final grade.

≡ BIBLIOGRAPHIE

Damodaran on Valuation, Wiley, 2nd edition
Investment Valuation, A. Damodaran, Wiley, 2nd edition
Corporate Finance, European edition, HILLIER et al., 2016
Investments, Bodie et al., 11th edition, 2009

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu (Team Project)
70 % : Examen final

≡ SÉANCES

1 Introduction COURS : 03h00

2 DCF I COURS : 03h00

- Discount Rates
 - o Cost of Equity
 - o Cost of Debt
 - o WACC
 - o Case Studies

3**DCF II**COURS : 03h00

- Estimate Cash Flows
 - o Measure and Update Earnings
 - o From Earnings to Cash Flows
 - o Case Studies

4**DCF III**COURS : 03h00

- Estimate Growth
 - o Stable
 - o 2-stage Growth Models
 - o 3-stage Growth Models

5**DCF case studies**COURS : 03h00

- DCF Examples - Complete Case Studies – Full Valuations

6**Relative valuation**COURS : 03h00

- Introduction to Relative Valuation
 - o Earnings Multiples
 - o Book Value Multiples
 - o Sales Multiples

7**Relative valuation case studies**COURS : 03h00

- Relative Valuation and DCF Examples - Complete Case Studies – Full Valuations

8**Real options**COURS : 03h00

- Introduction to Real Options
 - o Option to Expand
 - o Option to Abandon
 - o Option to Delay

9**Real options case studies**COURS : 03h00

- Equity as an option to liquidate
- Real Option, Relative Valuation and DCF Examples - Complete Case Studies – Full Valuations

10**Recoup and Revision**COURS : 03h00

Nombre de crédits : 4

Langue d'enseignement : English

Responsable du cours : NOCERA GIACOMO

Enseignants : NOCERA GIACOMO

≡ DESCRIPTION DU COURS

The course deals with the theory and the application of portfolio management techniques.

The aim is to survey the major theories, tools and results in portfolio management.

As the course emphasizes not only the theory, but also its practical application, by the end of this course, students are expected to have a good understanding of the asset management market, the financial instruments, and the market practitioners' terminology.

In addition, they should be able to develop a fair knowledge and understanding of key issues in asset allocation and portfolio composition and management and to implement adequate portfolio management strategies.

The course is designed to cover most of the "Portfolio Management and Wealth Planning" topic area and many concepts of some of the other topic areas of the CFA Candidate Body of Knowledge.

≡ OBJECTIF DU COURS

The main objective of this course is to learn the key theory with practical applications relevant to portfolio management.

After completing this course students will be able to:

- measure and manage portfolio risk and return;
- select and monitor an investment and build a portfolio;
- practically understand and apply asset pricing basics.

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse
Learning objectives C4B	LO2 - Analyser des situations complexes
Outcomes	Niv. 2 - Formuler des hypothèses de compréhension d'une situation complexe, de façon structurée, en mobilisant des cadres disciplinaires variés si nécessaire
Learning goals C4B	LG2 - Action
Learning objectives C4B	LO5 - Evaluer, prévenir et gérer les risques à court, moyen et long terme
Outcomes	Niv. 2 - Déterminer le degré de probabilité et la temporalité des risques potentiels, élaborer différents scenario de risques

≡ CONCEPTS ENSEIGNÉS

Portfolio mathematics; Portfolio return; Portfolio risk; Expected utility; Risk aversion; Efficient portfolios; Asset pricing models; Index models; Portfolio performance evaluation; Passive and active portfolio management.

≡ MÉTHODES PÉDAGOGIQUES

Lectures, practical lab applications, classroom discussions, homework and self-assessed work, team project. The purpose of this diversity is to stimulate learning as well as critical and reflective thinking.

≡ TRAVAIL ATTENDU ET ÉVALUATION

Students are expected to constructively and actively engage and participate in class.

When assignments are scheduled, students are expected to be prepared for class and to have read the assigned material and completed the assigned exercises.

Students' ability to identify and examine complex situations and their capacity to evaluate, prevent and manage short, medium and long-term risks will be evaluated via both the Final exam (weight: 70%) and a Coursework (weight: 30%).

Final exam – There is a (single) final general written exam. The exam is in-class, closed book and closed notes and based on the material covered during the entire course.

It consists of multiple-choice questions where students will be required to solve complex situation and to be able to evaluate various asset and portfolio risk dimensions. In-class tests serve as good exam preparation tools. A mock-up exam paper will be also available and discussed by the end of the course.

Coursework – The project is designed to apply the portfolio selection and evaluation techniques learnt in class on real life securities. Students are required to act as portfolio managers, and they will (i) decide on an investment strategy and define the universe of investible securities; (ii) form an optimal portfolio based on historical and market analysts' recommendations, respectively; (iii) evaluate the historical performances and the risk exposure of such portfolio; and (iv) disclose information to investors.

≡ BIBLIOGRAPHIE

Z. Bodie; A. Kane; A.J. Marcus, *Investments*. McGraw-Hill International (from 6th to 12th edition).

Additional required materials, including articles, handouts, slides, Excel files, etc., will be provided before or during the classes through the Blackboard page of the course.

Students are also encouraged to undertake their own search for additional relevant literature and follow up relevant references contained in the literature identified.

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu (Team Project)

70 % : Examen final

≡ SÉANCES

1 Introduction: the asset management industry

COURS MAGISTRAL : 02h00

This session offers a description of the course (aims and objectives, teaching and learning methods, topics to be covered, class rules) and provides an introduction to the asset management industry.

2 Introduction: the asset management industry (cont.)

COURS MAGISTRAL : 02h00

3 Quantitative tools for portfolio management

COURS MAGISTRAL : 02h00

This session is devoted to a review of the quantitative tools: the basics of return calculation and a review of basic statistics

4 Quantitative tools for portfolio management (cont.)

COURS MAGISTRAL : 02h00

5 The mean-variance framework

COURS MAGISTRAL : 02h00

This session introduces the concepts of return and risk as the main inputs of any asset allocation strategy and highlights the advantage (and the drawbacks) of using expected returns and variance of returns as the only indicators of return and risk. It also shows how individuals' preferences can be represented in such a mean-variance framework.

6 The mean-variance framework (cont.)COURS MAGISTRAL : 02h00

7 Portfolio Selection: the theoryCOURS MAGISTRAL : 02h00

This session presents the Markowitz's model and shows how to build the optimal portfolios by using (i) 2 risky assets; (ii) a risky asset and a riskless one; (iii) n risky assets; (iv) n risky assets and a riskless one.
It also shows how investor's preferences enter the portfolio selection.

8 Portfolio Selection: the theory (cont.)COURS MAGISTRAL : 02h00

9 Portfolio Selection: MS Excel applicationCOMPUTER LAB : 02h00

This session completes the previous one by showing how to generate the efficient frontier of financial portfolios using real data on Excel. The quadratic optimization approach (through Excel solver) is discussed.

10 Single-Index Model and Multi-Index ModelsCOURS MAGISTRAL : 02h00

This session introduces the index models (single-index and multi-index models), their advantages and limitations, how to estimate them and how to interpret this information.
Practical examples of index model applications are presented and the link between the market model and the portfolio selection is discussed.

11 The CAPMCOURS MAGISTRAL : 02h00

In this session the Capital Asset Pricing Model, a centerpiece of the modern financial economics, is introduced and discussed critically.

12 The CAPM (cont.)COURS MAGISTRAL : 02h00

13 Fama-French model and Arbitrage Pricing TheoryCOURS MAGISTRAL : 02h00

This session illustrates the tests for the validation of CAPM and the extension of the theory.

14 Practical issues in portfolio management (I)COURS MAGISTRAL : 02h00

This session deals with some practical issues in portfolio management: the rationale of the existence of different mutual funds, the need for benchmarks, the costs and benefits of two alternative investment approaches (active vs passive portfolio management), the performance evaluation measures (risk adjusted measures such as the Sharpe ratio, the Treynor ratio, the Jensen's alpha, the appraisal or information ratio are presented).

15 Practical issues in portfolio management (II)COURS MAGISTRAL : 02h00

This session completes the previous one as it deals with the performance analysis of mutual funds and shows the standard approaches to decompose performances and identify investment styles. It also discusses the modern portfolio management process and its ethics as well as the different stages of the portfolio process. Finally, it deals with the remuneration of the asset management activity, through an analysis of the management fees and the mutual funds' expense ratios.

Nombre de crédits : 4
Langue d'enseignement : English
Enseignants : POLITSIDIS Panagiotis

≡ DESCRIPTION DU COURS

The first part of the course covers the market pricing of credit risk implied from bond yields, CDS spreads, and equity prices. The second part of the course deals with the measurement of market risk (Value at Risk, Expected Shortfall) in portfolios of financial assets.

≡ OBJECTIF DU COURS

The course aims at providing a technical and hands-on approach to credit risk and market risk measurement. At the end of the course students should be able to extract information on the credit quality of an entity from market prices of bonds and credit derivatives. In addition, they should be able to estimate the market risk of a portfolio of assets in terms of Value at Risk and Expected Shortfall.

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse
Learning objectives C4B	LO1 - Développer un esprit critique
Outcomes	Niv. 3 - Repérer ses propres biais et évaluer leurs impacts sur l'avis formulé
Learning goals C4B	LG2 - Action
Learning objectives C4B	LO5 - Evaluer, prévenir et gérer les risques à court, moyen et long terme
Outcomes	Niv. 2 - Déterminer le degré de probabilité et la temporalité des risques potentiels, élaborer différents scenario de risques

≡ CONCEPTS ENSEIGNÉS

Financial concepts:

Credit risk and credit derivatives. Market pricing of credit risk. Structural models of credit risk. Market risk measures: Value at Risk and Expected Shortfall.

Technical tools:

Multivariate distributions. Principal component analysis. Historical (non-parametric) simulation. Monte Carlo simulation. Bootstrapping techniques and calibration. Poisson default processes.

≡ MÉTHODES PÉDAGOGIQUES

Standard Lectures. Exercises. Computer-based applications.

≡ TRAVAIL ATTENDU ET ÉVALUATION

One mid-term group empirical assignment (groups of 5 students)

The mid-term assignment accounts for 30% of the final grade. The final exam (exercises and open questions) accounts for the remaining 70% of the grade.

≡ BIBLIOGRAPHIE

Textbook: "Options, Futures, and Other Derivatives", John C. Hull, Pearson Education.

"Risk Management and Financial Institutions", John C. Hull, Wiley.

Primary reading material: Instructor's slides, exercise sets, programming examples.

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu (Team Project)

70 % : Examen final

≡ SÉANCES

1 Introduction to Credit Risk

COURS MAGISTRAL : 03h00

Credit risk. Credit risk components: Country risk, sector risk, firm-specific risk. Recovery rates. Credit risk and the business cycle.

2 Estimating Credit Risk from Credit Ratings and Bond Spreads

COURS MAGISTRAL : 03h00

Credit ratings. Extracting probabilities of default from credit ratings. Market measures of credit risk: Bond yields. Liquidity risk premium.

3 Credit Default Swaps: Pricing and CDS-Bond Basis

COURS MAGISTRAL : 03h00

An introduction to credit derivatives. CDS pricing: The asset swap approach and the full valuation approach.

4 Credit Default Swaps and Default Probabilities

COURS MAGISTRAL : 03h00

Default-intensity (reduced-form) models. Bootstrapping default probabilities from CDS spreads and bond prices. Counterparty risk.

5 Structural models of default

COURS MAGISTRAL : 03h00

Structural models of credit risk. Extracting probabilities of default from equity prices and volatility.

6 Market Risk – Value-at-Risk: Parametric Approach

COURS MAGISTRAL : 03h00

Market risk. Value-at-risk. Parametric approach: volatility and correlation estimation.

7 Market Risk – Value-at-Risk: Simulation Approaches

COURS MAGISTRAL : 03h00

Value-at-risk. Simulation approaches: Historical simulation and Monte Carlo simulation.

8 Market Risk – Expected Shortfall, Backtesting and PCA

COURS MAGISTRAL : 03h00

Beyond Value-at-risk: Expected shortfall. Backtesting and stress-testing of VaR and ES. Principal component analysis.

9 Additional Sources of Risk

COURS MAGISTRAL : 03h00

Additional Sources of Risk.

10 Bank Risk Regulation

COURS MAGISTRAL : 03h00

Recent regulatory developments on risk measurement. Review session.

Nombre de crédits : 4

Langue d'enseignement : Français

Responsable du cours : GIRARD-GUERRAUD CARINE

Enseignants : GIRARD-GUERRAUD CARINE

≡ DESCRIPTION DU COURS

Ce cours porte sur les outils, produits et opérations de financement en capital et dettes financières, lors des phases de développement et de retournement d'une entreprise.

≡ OBJECTIF DU COURS

Les objectifs de ce cours sont de (1) maîtriser les outils, produits et opérations de financement d'une entreprise, quel que soit son stade de développement ; (2) déterminer les besoins de financement du côté émetteur ; (3) d'anticiper les rentabilités attendues du côté émetteur et ; (4) de déterminer les impacts d'une décision de financement.

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse
Learning objectives C4B	LO2 - Analyser des situations complexes
Outcomes	Niv. 3 - Justifier ses conclusions et émettre des recommandations de façon argumentée
Détails	Examen final

≡ CONCEPTS ENSEIGNÉS

Les concepts enseignés sont issus de la théorie du signal, du free cash flow, de l'agence et du financement hiérarchique.

≡ MÉTHODES PÉDAGOGIQUES

La pédagogie utilisée comporte des préparations de cas, individuelles ou en groupe et la discussion des lectures recommandées. L'enseignement a recours à l'utilisation d'un grand nombre de cas d'application issus d'opérations ayant été réalisées.

≡ TRAVAIL ATTENDU ET ÉVALUATION

Le travail attendu à chaque nouvelle séance est la préparation des cas corrigés ensuite en cours.

L'évaluation porte sur un cas à travailler en groupe et présenté à l'oral, lors de la dernière session. Ce contrôle continu sert de préparation à l'examen final qui porte sur deux opérations de financement à analyser.

≡ BIBLIOGRAPHIE

Vernimmen - Finance d'entreprise - 2020 - Eds Dalloz

Raimbourg - Ingénierie financière, fiscale et juridiques – 2016.

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu

70 % : Examen final

≡ SÉANCES

1

Structure de financement

COURS : 02h00

Rappel des concepts de la théorie financière et des caractéristiques entre capital, dettes financières et quasi-fonds propres.

2	Structure de financement COURS : 02h00
	Analyse de la structure de financement
3	Politique de rémunération COURS ET ÉTUDES DE CAS : 02h00
	Analyse de la politique de distribution de dividendes des entreprises
4	Politique de rémunération COURS ET ÉTUDES DE CAS : 02h00
	Analyse de la politique de rachat d'actions des entreprises
5	Augmentations de capital COURS ET ÉTUDES DE CAS : 02h00
	Calibrage d'une augmentation de capital et analyse de son incidence sur le contrôle et le coût du financement de l'entreprise
6	Quasi fonds propres COURS ET ÉTUDES DE CAS : 02h00
	Caractéristiques des obligations hybrides et analyse financière de leur émission/conversion
7	Opérations à effet de levier COURS : 02h00
	Introduction aux opérations à effet de levier. Il porte sur les caractéristiques de la structure de financement ainsi que les différentes opérations d'acquisition (OBO, MBO, MBI, BIMBO, LBU).
8	Modélisation LBO COURS ET ÉTUDES DE CAS : 02h00
	Présentation des étapes servant à modéliser un LBO
9	Au closing, business plan et TRI EXERCICE : 02h00
	Au closing d'un LBO, savoir dresser le business plan pour déterminer le taux de rentabilité des sponsors et du mezzaneur
10	LBO : Stratégies de sortie COURS, ETUDE DE CAS ET EXERCICES : 02h00
	A la sortie des investisseurs, quelles options ?
11	OPA, OPE, OPR-RO COURS ET ÉTUDES DE CAS : 02h00
	Analyse de l'impact des offres publiques sur le contrôle, le bénéfice net par action ainsi que sur la valeur de l'entreprise.
12	Introductions en bourse COURS, ETUDE DE CAS ET EXERCICES : 02h00
	Maîtriser les techniques d'introduction de titres, lors d'opérations telles que les IPO, ITO et OPO.

13

Présentation de cas

TRAVAIL INDIVIDUEL OU EN GROUPE : 02h00

Analyse financière d'une opération de financement vue en cours

14

Présentation de cas

TRAVAIL INDIVIDUEL OU EN GROUPE : 02h00

Analyse financière d'une opération de financement vue en cours

15

Faillite et restructuration d'entreprise

COURS : 02h00

Présentation du cadre réglementaire et des techniques de restructuration d'entreprises

Synthèse du cours et des cas présentés

Préparation à l'examen

Nombre de crédits : 4**Langue d'enseignement :** English**Responsable du cours :** GUYOT ALEXIS**Enseignants :** GUYOT ALEXIS

≡ DESCRIPTION DU COURS

The aim of this course is to give knowledge to students about default risk and skills to assess it. Students will apply credit scoring techniques used in the banking industry as well as within companies to assess borrowers' risk of default.

Prerequisites for this course:

- Financial analysis course (basic level, such as the one offered in Semester 3 of the Grande Ecole programme)
- Basic math, probability theory & statistics

A brief reminder of these topics will take place within the course.

≡ OBJECTIF DU COURS

Upon completion of the module, you should have:

- advanced knowledge and critical understanding in rating, scoring and default prediction techniques applied in the banking & corporate industry
- demonstrated ability to exercise critical judgment on complex situations
- the ability to assess a company's financial position and risk of bankruptcy through a solid and detailed analysis of its financial statements, business environment, strategy and financing decisions
- the understanding of the impact of ESG dimensions on credit rating

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse				
Learning objectives C4B	LO2 - Analyser des situations complexes				
Outcomes	Niv. 3 - Justifier ses conclusions et émettre des recommandations de façon argumentée				
Détails	Give a opinion about a company's credit risk using a rating methodology				
Non acquis (< 50% des points)	En cours d'acquisition (50% ≥ 60% des points)	Acquis (60% ≥ 70% des points)	Maitrise (70% ≥ 80% des points)	Expertise (80% ≥ 100% des points)	
Rating methodology not acquired: incomplete and/or major errors and/or shortcomings	Rating methodology acquired but with minor computing errors and/or minor shortcomings	Full rating methodology acquired: business risk profile, financial risk profile, mapping grid, standard adjustments, rating drivers	Previous level + Detailed analysis of rating drivers & additional factors of risk	Previous level + Rating outlook & detailed analysis of the factors that could lead to a notch downgrade or upgrade	

Learning goals C4B	LG2 - Action				
Learning objectives C4B	LO5 - Evaluer, prévenir et gérer les risques à court, moyen et long terme				
Outcomes	Niv. 2 - Déterminer le degré de probabilité et la temporalité des risques potentiels, élaborer différents scenario de risques				
Détails	Estimate a probability of default using default predicting models				
Non acquis (< 50% des points)	En cours d'acquisition (50% ≥ 60% des points)	Acquis (60% ≥ 70% des points)	Maitrise (70% ≥ 80% des points)	Expertise (80% ≥ 100% des points)	
Risk modeling methodology not acquired: incomplete and/or major errors and/or shortcomings	Risk modeling methodology acquired but with minor computing errors and/or minor shortcomings	Full risk modeling methodology acquired: model parameters are correctly estimated	Previous level + correct classification of new data	Previous level + analyzing other model parameters (accuracy/goodness of fit/statistical significance) and/or comparing default prediction models	

Learning goals C4B	LG4 - RSO				
Learning objectives C4B	LO12 - Arbitrer en fonction des considérations économiques, sociétales et environnementales				
Outcomes	Niv. 3 - Réaliser des choix et arbitrer selon les critères de "sustainability"				
Détails	Capturing ESG (Environmental, Social and Governance) risk in credit ratings				
Non acquis (< 50% des points)	En cours d'acquisition (50% ≥ 60% des points)	Acquis (60% ≥ 70% des points)	Maitrise (70% ≥ 80% des points)	Expertise (80% ≥ 100% des points)	
Insufficient identification of ESG dimensions & criteria and their impact on credit rating	Identification of 2 out of the 3 ESG dimensions & criteria as well as their impact on credit rating	Full identification of the 3 ESG dimensions & criteria as well as their impact on credit rating	Previous level + quantifying the impact of ESG factors on credit rating	Previous level + identifying the differences between the methodologies used by the main credit rating agencies	

≡ CONCEPTS ENSEIGNÉS

Default risk
 Rating
 Scoring
 ESG dimensions and credit rating
 Covenant package
 Technical default & insolvency
 Default prediction models

≡ MÉTHODES PÉDAGOGIQUES

Interactive online quizzes
Case studies

Numerical applications

Softwares used in this class:

- Excel (extensively used)
- R an open statistical software (used for sessions on predicting default risk)

≡ TRAVAIL ATTENDU ET ÉVALUATION

Both formative (in class) and summative (final exam) assessments.

30% of the final grade is assessed by a coursework (credit report). A full guideline about learning objectives, grading and expectations will be available in due time on Blackboard.

70% of the final grade is assessed by an individual final exam (closed books, 1 non programmable calculator authorized)

≡ BIBLIOGRAPHIE

Damadoran, A. Corporate Finance: Theory and Practice. John Wiley & sons

Tan, P. N., Steinbach M., Kumar V. Introduction to data mining. Pearson

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu

70 % : Examen final

≡ SÉANCES

1

Rating & scoring

COURS : 03h00

S&P Rating methodology

- Assessing a business profile
- Assessing a financial profile
- Determining an anchor rating
- Modifiers
- Recovery rating

Scoring methodology

- Bank of France score
- Scoring grid in use within the banking industry

2

Moody's credit risk assessment (part 1)

COURS : 03h00

Moody's rating methodology

- Using industry specific mapping grids

Moody's standard adjustments

- Unfunded defined benefit pension plans

3

Moody's credit risk assessment (part 2)

COURS : 03h00

Moody's standard adjustments

- Operating leases
- Capitalized interest

4**Moody's credit risk assessment (part 3)**COURS : 03h00

Moody's standard adjustments

- Capitalized development costs
 - Interest expense on discounted long term non debt liabilities
 - Hybrid securities
-

5**Moody's credit risk assessment (part 4)**COURS : 03h00

Moody's standard adjustments

- Factoring arrangements
 - Consistent measure of FFO
 - Non recurring and exceptional items
 - *Total SA case study*
-

6**ESG & credit rating**COURS : 03h00

Integration of ESG factors into credit risk assessment

S&P approach

Moody's approach

Fitch approach

7**Covenant package**COURS : 03h00

Covenant types

Covenant breach

technical default

Duties of the management

Legal consequences

Findus case study

8**Default prediction models: Linear models**BRIEFING : 03h00

Fitting a linear model

Computer lab session

9**Default prediction models: naïve Bayesian classifiers**COURS : 03h00

Fitting a bayesian model

Computer lab session

10**Default prediction models: Linear Discriminant Analysis**COURS : 03h00

Altman z-score

Fitting a LDA model

Computer lab session

Nombre de crédits : 4

Langue d'enseignement : English, Français

Responsable du cours : MEZERET THIERRY

Enseignants : MEZERET THIERRY

≡ DESCRIPTION DU COURS

≡ OBJECTIF DU COURS

- Understand how working capital impacts cash flow
- Prepare Cash flow budgeting
- Working understanding of currencies and interest rates fluctuation
- Deploy techniques to protect against adverse currency market fluctuations
- Deploy techniques to protect against unexpected interest rate changes
- Diversify exposure away from floating rate exposure
- Understand Options and how they might help manage risk

≡ LEARNING OBJECTIVES

Learning goals C4B LG1 - Analyse

Learning objectives C4B LO2 - Analyser des situations complexes

Outcomes Niv. 2 - Formuler des hypothèses de compréhension d'une situation complexe, de façon structurée, en mobilisant des cadres disciplinaires variés si nécessaire

Détails -

Learning goals C4B LG2 - Action

Learning objectives C4B LO5 - Evaluer, prévenir et gérer les risques à court, moyen et long terme

Outcomes Niv. 3 - Hiérarchiser les scénarios de risques, déterminer un plan de gestion des risques et garantir la mise en œuvre de plan de gestion/prévention des risques

Détails -

≡ CONCEPTS ENSEIGNÉS

Tackled concepts

- Working capital
- Cash flow budgeting
- Forward contracts
- Futures contracts
- Interest rate swaps
- Hedging
- Fix and floating rate
- Libor
- Call and put options
- Caps & floors

≡ MÉTHODES PÉDAGOGIQUES

Lectures
Exercices
45 hours of personal work

≡ TRAVAIL ATTENDU ET ÉVALUATION

- Questions/Réponses sur Revue de presse Economique
- Travaux pratiques 1): gestion du risque de taux (couverture d'une dette à taux variable par des produits dérivés fermes/conditionnels, classiques, exotiques)
- Travaux pratiques 2) : gestion du risque de Change (écrans BLOOMBERG)

≡ BIBLIOGRAPHIE

- Prerequisite : « Finance d'Entreprise » VERNIMMEN
- Mishkin F.S., Eakins S.E., (2015), Financial Markets and Institutions, Pearson, 8th edition.
- John Hull: Options, Futures and Other Derivatives (5th edition or later)

≡ MÉTHODE D'ÉVALUATION

70 % : Examen final
30 % : Contrôle continu

≡ SÉANCES

1 **The Forex Market**
BRIEFING : 02h00

2 **The Forex Market - 2**
BRIEFING : 02h00

3 **International Parities - 1**
BRIEFING : 02h00

4 **International Parities - 2**
BRIEFING : 02h00

5 **Derivatives Part 1 - Forwards and Futures**
BRIEFING : 02h00

6 **Derivatives Part 1 - Forwards and Futures /2**
BRIEFING : 02h00

7 **Derivatives Part 1 - Forwards and Futures /3**
BRIEFING : 02h00

8 **Derivatives Part 1 - Forwards and Futures /4**
BRIEFING : 02h00

9 **Derivatives Part 2 - Options**
BRIEFING : 03h00

10	Derivatives Part 2 - Options /2 BRIEFING : 02h00	
11	Central Banks and monetary policies BRIEFING : 02h00	
12	Hedging Interest rates BRIEFING : 02h00	
13	Hedging Interest rates - 2 BRIEFING : 02h00	
14	Hedging Interest rates - 3 BRIEFING : 02h00	
15	Review BRIEFING : 02h00	

Nombre de crédits : 4**Langue d'enseignement :** Français**Responsable du cours :** GEYER DOMINIQUE**Enseignants :** GEYER DOMINIQUE

≡ DESCRIPTION DU COURS

Ce cours est une introduction aux normes financières internationales IFRS (International Financial Reporting Standards) et américaines US GAAP (Generally Accepted Accounting Standards).

≡ OBJECTIF DU COURS

Il s'agit de d'acquérir les compétences nécessaires afin de lire et analyser les états financiers : bilan, compte de résultat, tableau des flux de trésorerie, tableau de variation des capitaux propres et annexes.

≡ LEARNING OBJECTIVES

Learning goals C4B	LG1 - Analyse
Learning objectives C4B	LO1 - Développer un esprit critique
Outcomes	Niv. 3 - Repérer ses propres biais et évaluer leurs impacts sur l'avis formulé
Learning goals C4B	LG2 - Action
Learning objectives C4B	LO5 - Evaluer, prévenir et gérer les risques à court, moyen et long terme
Outcomes	Niv. 3 - Hiérarchiser les scénarios de risques, déterminer un plan de gestion des risques et garantir la mise en œuvre de plan de gestion/prévention des risques

≡ CONCEPTS ENSEIGNÉS

Bilan
Comptes consolidés,
Cadre d'analyse des IFRS et US GAAP,
Stocks,
Impôts sur les bénéfices,
Actifs courants et non courants,
Passifs courants et non courants,
Compte de résultat,
Tableau des flux de trésorerie

≡ MÉTHODES PÉDAGOGIQUES

Etudes de cas, lectures et discussions

≡ TRAVAIL ATTENDU ET ÉVALUATION

Préparation d'études de cas
Lecture de chapitres dans l'ouvrage de référence

≡ BIBLIOGRAPHIE

Comptabilité et analyse financière Une perspective globale Hervé, Stolowy, Michel J. Lebas and Yuan Ding, De Boeck, 2017
International Financial Statement Analysis, 4th edition, Thomas R. Robinson and al., CFA Institute Investment Series, Wiley, 2020

≡ MÉTHODE D'ÉVALUATION

30 % : Contrôle continu

70 % : Examen final

≡ SÉANCES

1 Le cadre conceptuel des normes IFRS et US GAAP

COURS, ETUDE DE CAS ET EXERCICES : 03h00

L'équation comptable fondamentale de l'entreprise
Les principales caractéristiques des IFRS et US GAAP

2 Les états financiers consolidés

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Définition et typologie des participations financières
Les principes des regroupements d'entreprises
Les méthodes de consolidation

3 Initiation aux états financiers

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Le bilan et sa composition
Le compte de résultat et sa composition
Les actifs
Les passifs
Les capitaux propres

4 Les états financiers : interrelations et construction

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Le tableau des flux de trésorerie et sa composition
Les relations entre le bilan, le compte de résultat et le tableau des flux de trésorerie

5 Les principes comptables et les régularisations

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Les principes comptables (image fidèle, objectivité, qualité de l'information, circonspection, périodicité, permanence des méthodes)
Les ajustements concernant les investissements, les stocks, les immobilisations, le goodwill
Les problèmes de comptabilisation des produits

6 Les stocks

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Définition et typologie des stocks
Méthodes d'enregistrement des stocks
Evaluation des stocks et résultat publié

7 Les immobilisations corporelles et incorporelles

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Problèmes comptables liés à l'acquisition et la valorisation des immobilisations
Les amortissements des immobilisations
La dépréciation des immobilisations

8 Les impôts sur les bénéfices

COURS, ETUDE DE CAS ET EXERCICES : 03h00

La comptabilisation, l'évaluation et la présentation des impôts sur les bénéfices
Les impôts exigibles
Les impôts différés

9

Les actifs financiers

COURS, ETUDE DE CAS ET EXERCICES : 03h00

Les instruments financiers

Les actifs financiers à la juste valeur avec contrepartie en résultat

Les placements détenus jusqu'à leur échéance

Les actifs financiers disponibles à la vente

10

Cas de synthèse

TRAVAIL INDIVIDUEL OU EN GROUPE : 03h00

Articulation des états financiers : bilan, compte de résultat, tableau des flux de trésorerie et annexes
