

## Liverpool John Moores University

Title: FINANCIAL RISK MANAGEMENT  
Status: Definitive  
Code: **6311BUSBS** (122042)  
Version Start Date: 01-08-2021

Owning School/Faculty: Business and Management  
Teaching School/Faculty: Business and Management

Team	Leader
Karl Harper	Y

**Academic Level:** FHEQ6  
**Credit Value:** 20  
**Total Delivered Hours:** 44  
**Total Learning Hours:** 200  
**Private Study:** 156

### Delivery Options

Course typically offered: Semester 2

Component	Contact Hours
Lecture	11
Seminar	33

**Grading Basis:** 40 %

### Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Report	RPT	Report & Presentation. 4500 words	100	

### Aims

*This module is designed to enable students to identify, measure and manage financial risks.*

### Learning Outcomes

After completing the module the student should be able to:

- 1 Identify Financial Risks facing companies.
- 2 Measure and Prioritise Financial Risks
- 3 Evaluate Strategies to manage Credit Risk including the use of International Chamber of Commerce Collections & Letters of Credit and Bonds/Guarantees
- 4 Compare & Contrast the various Financial Derivatives as Risk Management Tools
- 5 Evaluate & Recommend Methods of Managing Exchange Rate & Country Risk
- 6 Evaluate & Recommend Methods of Managing Interest Rate and Commodity Price Risk

## Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

REPORT	1	2	3	4	5	6
--------	---	---	---	---	---	---

## Outline Syllabus

*The Role of Financial Risk Management*

*2. Identifying & Measuring Risk*

*3. Credit Risk Management including Securing Payment using Collections (International Rules for Collection URC ICC 522) & Letters of Credit (Uniform Customs & Practice UCP ICC 600*

*4. Bonds & Guarantees to facilitate international trade and reduce risk*

*5. The Treasury Function*

*6. Financial Derivatives*

*7. Exchange Rates & Risk Management*

*8. Country Risk Assessment & Management*

*9. Interest Rate Risk Management*

*10. Commodity Prices & Risk Management*

## Learning Activities

In order to simulate the World of Work students will be actively involved in the analysis and evaluation of a Case Study throughout the semester.

The Case Study, builds upon Semester 1 International Corporate Finance (Finance Route), with students now engaged in the management of the financial risks involved.

Students will once again be asked to respond to real-time data such as changes in exchange rates, interest rates, oil prices etc and new information such as prices changes, new quotations etc present by the lecturer throughout the semester

## Notes

This module is designed to enable students to identify, measure and manage financial risks.

