SIMON FRASER UNIVERSITY
FACULTY OF BUSINESS ADMINISTRATION

COURSE: BUS 492

TITLE: Risk Management

SEMESTER: Fall 2010

INSTRUCTOR: Geoffrey Poitras

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Prerequisites: BUS 315 ,BUS 316 and BUS 360; 60 credit hours.

Required Text:

Geoffrey Poitras, ***Risk Management, Speculation and Derivative Securities***, Academic Press, 2002

Additional Required Readings: Articles available for download at the class webpage. There is also a links page with material from selected websites and previous student presentations.

Course Objectives:

This course provides a more advanced treatment of topics covered in BUS 316. More precisely, this course provides both a theoretical and practical examination of corporate risk management, focusing on the uses of free standing derivative securities: forward, futures, option and swap contracts. Theoretical topics include the optimal solution to the risk management decision problem and the rationales for risk management strategies. Practical topics are addressed in group presentations that examine the risk management activities of specific companies.

Course Coverage:

1. General Risk Management Principles
2. Price Determination: Hedgers, speculators and arbitrageurs.
3. Commodity Risk Management Strategies
4. Financial Risk Management Strategies

Evaluation:

Class Participation 10%
Group Presentation 20%
Term Project 20%
Midterm Exam 25%
Final Exam 25%