



## Course and Examination Fact Sheet: Autumn Semester 2020

### 9,150: Europe Compact - Systemic Risk

ECTS credits: 4

#### Overview examination/s

(binding regulations see below)

Decentral - Written examination (100%, 90 mins.)

Examination time: term time

#### Attached courses

Timetable -- Language -- Lecturer

[9,150,1.00 Europe Compact - Systemic Risk](#) -- Englisch -- [Rinaldo Angelo](#)

#### Course information

#### Course prerequisites

The prerequisite topics are the compulsory courses of the Master in Banking & Finance.

#### Learning objectives

- Get an overview of the major financial crises of the last decades, such as the Global Financial Crisis 2007/09 and the most recent pandemic crisis triggered by Covid-19.
- Understand the origins of these crises as well as their similarities and differences.
- Get an overview of the most important regulatory and monetary policy responses to these crises.
- Understand major sources of systemic risk, such as shadow banks, contagion, and bank runs.
- Get familiar with new sources of systemic risk, such as risks stemming from climate changes, FinTech, digital currencies, and the insurance sector.

#### Course content

This course introduces you to different dimensions of systemic risk and financial stability. We study asset bubbles, the global interconnectedness of financial institutions, and the shadow banking sector. In addition, we take a look at bank runs, contagion, and fire sales. We learn the difference between macro- and micro-prudential regulation and how conventional and unconventional monetary policy contributes to systemic risk. We take a close look at the recent global pandemic crisis that has been triggered by Covid-19 and we compare this crisis - including its origin and the policy responses that followed - to past crises, such as the Global Financial Crisis 2007/09. Furthermore, we discuss new forms of systemic risk originating from climate changes, FinTech, digital currencies, and insurance companies.

This course is part of the "Europe Compact" lecture series. It takes place during the second week of the mid-term break, i.e. from 2 to 6 November 2020 (week 45). Due to the special circumstances, we are not able to offer the course abroad. Instead, it will take place at the University of St. Gallen and the teaching mode will be a blended teaching with on-campus courses. If the pandemic crisis or our rectorate requires it, we will apply the necessary rules and restrictions. The guest lectures will be organized as webinars. We are pleased that international experts from the Bank for International Settlements, European Central Bank, European Insurance and Occupational Pensions Authority (EIOPA), and Swiss National Bank will share their knowledge on important and topical issues such as climate risk, FinTech, digital currencies, cyber risk, and insurance companies.

**The bidding process for this course is decentral and the number of students who will be admitted to the course is limited. If you would like to take this course, please send your CV and grade transcript to [alexander.bechtel@unisg.ch](mailto:alexander.bechtel@unisg.ch) until 6 September 2020. We will inform you about the status of your application no later than 8 September 2020. We plan to schedule a kick-off meeting during the first week of the semester either online or on-campus (please consult the course directory for short-term changes). Please note, that due to organizational reasons, applications are binding.**



## Course structure

- Financial Crises:
  - Asset bubbles
  - Global financial crisis 2007/09
  - European sovereign debt crisis
  - Covid-19
- Policy
  - Regulatory Policy (e.g. Basel III)
  - Monetary policy
- (Shadow) banks and contagion
  - Shadow banks, bank runs, and contagion
- New risks
  - Environmental risks
  - Risks from FinTech and Digital Currencies
  - Cyber risk
  - Insurance sector

## Course literature

The main teaching material will be [our slides](#) and the research papers discussed in class.

## Additional course information

Given the current pandemic crisis and in case university regulations do not permit for on-campus examinations and teaching, all the lectures and the final written examination will be conducted online.

## Examination information

### Examination sub part/s

#### 1. Examination sub part (1/1)

##### Examination time and form

Decentral - Written examination (100%, 90 mins.)

Examination time: term time

##### Remark

--

##### Examination-aid rule

Extended Closed Book

The use of aids is limited; any additional aids permitted are exhaustively listed under "Supplementary aids". Basically, the following is applicable:

- At such examinations, all the pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without hand-written notes are admissible. Any other pocket calculator models and any electronic dictionaries are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as notebooks, tablets, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

##### Supplementary aids

---

##### Examination languages



Question language: English

Answer language: English

---

## Examination content

The exam covers all topics discussed in the course.

## Examination relevant literature

The compulsory literature for the exam is the teaching material used during the lectures.

### Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW51) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 42 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 34 (Thursday, 20 August 2020);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 42 (Monday, 12 October 2020);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 42 (Monday, 12 October 2020);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the registration period in CW 44 (Thursday, 29 October 2020).