

# Master of Science in Finance and Banking

## WHEN THEORY MEETS PRACTICE

**A series of meetings with experienced professionals  
on key topics in Finance and Banking  
organized by Stefano Herzel (University of Rome Tor  
Vergata) and Luca Lotti (Cassa Depositi e Prestiti)**

## 2. COUNTERPARTY RISK AND VALUATION ADJUSTMENTS

**Francesco Guerrieri**

**(CDP, Head of Credit and Counterparty Risk)**

In the last ten years, commonly used derivatives pricing methods have undergone several major changes aimed at the inclusion of several "valuation adjustments". The main driver of this trend was probably the ever-increasing attention to counterparty credit risk and funding costs due to the financial crisis which began in 2007-2008 (start of the US subprime mortgage crisis). After "CVA" (credit valuation adjustment) and "DVA" (debt valuation adjustment), several other adjustments were introduced - among these the "FVA" (funding valuation adjustment) - leading the generic name of "XVA". We give an overview of the meaning and purpose of valuation adjustments, along with some practical examples of how they are applied.

**Novembre 23  
h 2:30 pm  
at Sala del Consiglio**

**School of Economics  
via Columbia, 2  
Roma**

Università di Roma



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**The meeting is open to all**