

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)**

3. CONCENTRATION RISK

Luca Lotti

(CDP, Head of Risk Management)

Concentration risk arises from the imperfect diversification of real-life credit portfolios with respect to single-name, sectoral and geographic risk factors. Pillar one capital requirements for banks do not reflect concentration risk, which often receives less attention compared to other type of risks. After providing a survey of the relevant literature and regulatory guidelines, we review some ways to assess concentration and describe a framework to build an effective set of internal limits for large exposures.

Thursday, December 14

14:30-16:00

**at Sala del Consiglio
(Building B, 2° floor).**

**A refreshment will be
served after the talk.**

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

Università di Roma



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The meeting is open to all