

COURSE DESCRIPTION:

The course aims at providing an updated knowledge of the theoretical and empirical developments of the research concerning savings and pension systems, with a special focus on pension funds.

Moreover, it will contain seminars by managers of some major pension funds concerning the main issues of risk management of pension portfolios.

We propose a quantitative analysis for defined contribution and defined benefit pension plans in stochastic scenarios with the disclosure, the evaluation and the management of financial and demographic risks.

OBJECTIVES:

a). Skills:

- Reconcile the main empirical trends around the world with theoretical and policy implications concerning retirement-savings, pension system reforms and pension funds' investments;
- Use of panel data concerning savings and pension funds;
- Ability to apply risk management techniques to pension funds' portfolios.

b) Knowledge

- Understand the state-of-art literature on the theoretical implications, empirical findings and policy implications on the topics of retirement-savings, pension systems and pension funds' investments;
- Know how to use and analyze some databases containing information at the household level on retirement savings and on pension funds' investments;
- Be aware of the techniques for risk management of portfolios in pension funds.

c) Attitudes

- ability to master risk management techniques in pension funds or

MAIN CONTENTS:

- 1.. Introduction: savings and pension funds throughout the world
- 2.. Theoretical models of saving behavior.
- 3.. Theoretical models of pension systems.
- 4.. Policy implications
- 5.. Pension funds around the world and their role on financial markets
- 6.. Databases on retirement-savings, pension funds
- 7.. Risk management of pension funds
- 8.. The financial risks in defined contributions pension plans
- 9.. The demographic and financial risks in defined benefit pension plans.

a. Practical exercises

b. Case studies

The module deals with the theory and empirical evidence concerning retirement-savings, pension systems and risk management in pension funds in a globalized economic environment.