

# Preparing for class 4: References for Coherent risk measures

Susan Thomas

# Coherent risk measures

- Financial risk is made up of market risks and non-market risks.
- VaR is a measure of financial market risk.
- The field of coherent risk measures is an attempt at a more comprehensive measure of financial risk.
- This approach starts with identifying what are the desirable “properties of a risk measure”.
- This becomes a framework to test each risk measure for coherence.

# References

- Seminal paper by P. Artzner, F. Delbaen, J. Eber and D. Heath.  
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