

# [Case study on financial risk](https://assignbuster.com/case-study-on-financial-risk/)

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## Financial Risk Case Study:

Financial riskis the risk which is connected with the possibility of the loss of the financial resources (money). The problem of the financial risks is not the new one, because it appeared just after the introduction of money into the human life thousands of years ago. When money influence the condition of the organization, the well-being of a group of people or an individual, there is always the risk of loss of the money because of various factors.

Speaking about the current time, financial risk is mainly connected with the economic processes and individual characteristics of the participants of these processes. First of all there is the risk of the unlucky investment into the certain company. The investor studies the information about the type of the company, the way of its production and management and decides whether it is safe to invest money in it, because if the company turns out to be a failure, the money will be lost. Then, there is the problem of crediting, lending and borrowing. Professional lenders never give money to the unsafe borrowers, because if they take money and lose it, the lender loses the money too. There are also financial risks which are connected with the value of the money.

It is possible that the chosen currency loses its price because of the certain economic processes which destabilize the country and its financial system. As a result, the currency becomes cheap, the prices increase and the lenders, borrowers and other interested sides can lose money. So, the processes of inflation and deflation also cause serious risks to the participants of the economic processes. Financial risk is the natural risk which waits everyone who wants to take the active part in the functioning of the market. Of course, it is obvious that there is no success without the risk, but the smart experts in this field have to be attentive and careful to avoid failures.

In order to research the case about financial risks the student should learn about the suggested company and evaluate the cause and effect of the risks it faces. The student is obliged to demonstrate his knowledge about the economic processes and finance management in order to evaluate the financial risks objectively and solve the problem of the case professionally. A case study is the opportunity for the student to demonstrate his skills and knowledge and research the definite problem well. With the help of the Internet and a free example case study on financial risk management it is possible to cope with the assignment successfully. Due to the free sample case study on financial risk managementToyotathe student learns about the process of formatting, composition of the paper and the adequate analysis of the topic.