The last five years have witnessed a great momentum in the research into measures of financial risk. After many years of ad-hoc and non-consistent measures, now the problem is finally well formulated and some useful and very user-friendly solutions have been proposed. These new measures of risk should be of great interest for investors, financial institutions as well as for regulators.

Under the editorship of Professor Giorgio Szego of the University of Rome "La Sapienza", this book is a collection of the revised and updated papers from prestigious international specialists who are leaders in their field, amongst whom is Robert Engle, a newly-announced Nobel prize-winner in finance. These authors bring a broad perspective across a wide selection of topics, ranging from the critique of some currently used methods, like Value at Risk, to the presentation of some correct risk measures and of some advanced application.

The book provides a detailed and up-to-date reference for researchers within academia, and risk managers or financial engineers.

GIORGIO SZEGO graduated in Physics at the University of Pavia. After postgraduate studies at the Technische Hochschule Darmstadt, he held teaching and research positions (Research Institute of Advanced Studies) in the USA. From 1964 to 1970 he had an appointment at the Faculty of Sciences of the University of Milan, and held visiting positions in various US universities.
He was then granted a chair in Mathematics for Economics at the University of Venice and in 1977 he co-founded and became Managing Director of the *Journal of Banking and Finance*. Giorgio Szego holds a chair in "Economics of Financial Markets" at the University of Rome and in January 2000 the University of Bergamo awarded him an honorary degree in Economics. His current line of research is on Risk Measures and their regulatory impact. He is the author of more than 200 research papers and books on many subjects ranging from the theory of dynamical systems, to optimisation and portfolio theory.