In this project I applied the Extreme Value Theory, particularly the Peak-over-threshold approach, to model the operational losses suffered by an Italian bank, in that case Unicredit, to estimate the Value-at-Risk. Then I compared the estimation of the VAR with the EVT with the estimation of this measure using the LogNormal approach. I used this approach to see if the Extreme Value Theory is better at capturing the extreme risk, that means computing a more conservative Risk measure. The results heavily rely on the structure of the data.

The following code was realized using the software Matlab and it is divided in two parts:

* The application of the Extreme Value Theory
* A function needed to left-truncated the lognormal distribution