

What is a Project? (cont.)

- Projects have unique risks:
 - Symmetric risks:
 - Demand, price.
 - Input/supply.
 - Currency, interest rate, inflation.
 - Reserve (stock) or throughput (flow).
 - Asymmetric downside risks:
 - Environmental.
 - Creeping expropriation.
 - Binary risks
 - Technology failure.
 - Direct expropriation.
 - Counterparty failure
 - Force majeure
 - Regulatory risk