

Programme on
**Internal Liquidity Adequacy
Assessment Process (ILAAP)**

February 19 – 23, 2019

Coordinator
Prof Sanjay Basu



**National Institute of
Bank Management
Pune, India**

Programme on Internal Liquidity Adequacy Assessment Process (ILAAP)

Introduction

The global crisis has shown us how liquidity problems can trigger off solvency concerns at banks and financial institutions. It has also demonstrated how funding constraints can spill over into securities markets and spread fast from one bank to another. As a result, Liquidity Risk Management is no longer confined to Pillar II, under Basel III. The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) have been mandated, to address short-term and structural liquidity concerns. Stringent stress tests have also been proposed.

In this context, a sound, effective and comprehensive Internal Liquidity Adequacy Assessment Process (ILAAP) is vital for banks. It provides a clear indication of the sources of liquidity shocks and their impact on inflows and outflows. It enables them to estimate requisite liquidity buffers, under normal and stressed conditions. It allows them to study risk interactions, fix risk limits, design conservative strategies and reduce stakeholder uncertainty associated with bank-specific and systemic liquidity events. It has already been initiated by the European Central Bank (ECB), as per Basel guidelines. To equip banks, in India and abroad, with the tools and concepts to address the nuances of liquidity risk in volatile markets, we offer a programme on ILAAP.

Training Methods

Discussion of concepts and techniques, lab sessions, case studies and sharing of experience.

Faculty

In addition to NIBM faculty, professionals and practitioners from leading banks and other institutions will participate as guest faculty.

Outline

1. Overview

- Recent challenges and initiatives in Liquidity Risk Management.
- ILAAP rationale and structure.

2. Prerequisites

- Volatilities, correlations and probability distributions.
- Static and Dynamic Liquidity Gap Statements.
- LCR and NSFR.
- VaR models.

3. Behavioural Analysis for Non-Maturity Products

- Simulation models.
- Regression models.
- Option-Adjusted Spread models.
- Optimization models.

4. FTP for Liquidity Risk

5. Stress Testing for Liquidity Risk

- Scenario analysis.
- Risk interactions and Macroeconomic models.
- Extreme Value Theory.
- Contingency Funding Plans.

6. ILAAP

- Liquidity Risk Limits
- Risk-return considerations.
- Liquidity Risk Appetite Statement.
- Liquidity Risk Governance.

Who should Attend?

The programme is intended for middle and senior level executives of banks and financial institutions in ALM, Treasury and Risk Management, who need to know about Liquidity Risk Management.

Dates

February 19 – 23, 2019

The programme will commence at 9.00 am on February 19 and conclude by 5.00 pm on February 23, 2019. Participants are expected to reach NIBM Campus positively by the evening of February 18, 2019.

Venue

NIBM Campus, Kondhwe Khurd
Pune, India.

Accommodation

The programme is fully residential. Participants will be provided well-furnished single room AC accommodation in the Institute's hostel complex on the campus. However, they will not be permitted to bring their family members to stay on the campus. In case any Officer/Executive with physical/medical disability is being nominated, kindly inform us in advance with particulars of disability to facilitate necessary arrangements.

The Institute has facilities for outdoor and indoor games and a large walking/jogging trail for physical fitness besides a yoga centre. Participants are, therefore, encouraged to bring appropriate clothes/gear.

Programme Coordinator

Prof Sanjay Basu

Associate Professor and
Associate Dean (Research)

(Finance Area Group)

Last Date for Receiving

Nominations:

February 9, 2019

Last Date for

Availing Early Bird Incentive of 5%:

February 4, 2019

(See fee structure on
home page of the website)

Nominations and Enquiries

Please address your enquiries and
nominations to:

Prof Sanjay Basu

Programme Coordinator

National Institute of Bank Management

NIBM Post Office, Kondhwe Khurd

Pune 411 048, INDIA

Tel. : 0091-20-26716000 (EPABX),

0091-20-26716129 (Direct)

Fax : 0091-20-26834478

E-mail : sbasu@nibmindia.org

Website : www.nibmindia.org

Programme Fee (per participant)

US \$ 2000 for foreign participant

(See fee structure on home page of the website for incentive)

	Fee	GST	Fee+GST	TDS
Member Banks :	42000	7560	49560	4200
Non-Member Banks :	49200	8856	58056	4920

The fee includes the cost of tuition, board and lodging facilities, teaching material, etc. (Goods and Services Tax (GST) @ 18% and TDS @ 10%. Kindly send the TDS Certificate on priority to NIBM).

Mode of Payment for Indian Participants

- The fee may preferably be transferred by RTGS/NEFT/ECS to our A/c No. 20002400021 with Bank of Maharashtra, NIBM Branch, Pune (IFSC Code MAHB0001124). NIBM PAN No. AAATN0040P and GSTIN No. 27AAATN0040P1ZJ.
- National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

1. Name & Address of our Bankers : **Oriental Bank of Commerce
C-2, Shop No. 4-5, Bramha Estate
Kondhwe Khurd, Pune 411 048
Maharashtra, India**
2. Name of the Account : **National Institute of Bank Management**
3. NIBM's Bank Account No. : **Current A/C 11281131004402**
with Oriental Bank of Commerce
4. Bank's Swift Code : **ORBCINBBFCP**
5. Oriental Bank of Commerce A/c No. : **36152559**
with Correspondent Bank
6. Preferred currency : **USD**
7. Correspondent Bank : **CITIBANK N.A.**
8. Swift code for Citi Bank : **CITIUS33**

*** The Foreign Bank
Charges/ SWIFT
charges/Commission
is to be borne by the
remitter. The fees
mentioned in the
invoice/brochure is to
be paid to NIBM, net
of all bank charges.**

***Payments will be accepted only through electronic mode.
Cheques/DDs/Pay Orders will not be accepted.**

- **For all electronic remittances, kindly send a confirmatory e-mail at: accounts@nibmindia.org giving details of the remitter and participant, name and dates of programme, etc.**

Please see programme fee structure on home page of the website for early bird incentive, incentives for SAARC and other developing countries, mode of remittance, Pune City route map and local conveyance.