



FRTB

**Programme on
Market Risk Capital Charges
Under FRTB:
The Revised Standardized
Approach**

July 17 – 20, 2018

Coordinators
**Prof Sanjay Basu
Prof Tasneem Chherawala**



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

Programme on Market Risk Capital Charges Under FRTB: The Revised Standardized Approach

Introduction

The global financial crisis has brought about sweeping changes to the estimation of Market Risk Capital charges. The Revised Standardized Approach under the Fundamental Review of the Trading Book (FRTB), introduced in January 2016, extends the sensitivity-based framework to all segments of the trading book. It also allows for diversification benefits across risk classes, emphasizes on specific risk and counterparty credit risk and links regulatory capital estimates to stress scenarios. It is designed to be a credible fallback to the Internal Models' Approach, in order to prevent capital arbitrage under the Standardized Approach. As a result, the impact on regulatory capital charges under the Revised Standardized Approach is likely to be significant. In view of the implementation challenges, the framework has been amended further in March 2018.

Banks in emerging markets will face serious skill gaps during the transition to FRTB because of the additional complexity of position specific sensitivity calculations. This programme will help participants appreciate the nuances of the Standardized Approach under FRTB. It will enable to measure default risk and counterparty credit risk in the trading book. It will also facilitate them to define market risk appetite and improve market risk policies. In sum, this programme will equip banks with the latest tools and concepts for migration to the Standardized Approach under FRTB.

Programme Content

1. Evolution of Market Risk Capital Charges

- ❑ Overview of Market Risk Management
- ❑ Revisions to the Standardized Approach under FRTB

2. Basic Concepts

- ❑ Volatilities and Correlations for Asset Returns
- ❑ Duration and Convexity for Fixed Income Portfolios
- ❑ The Standardized Duration Approach
- ❑ Derivatives for Market Risk Management

3. The Revised Standardized Approach

- ❑ Delta, Vega and Curvature Risks for Individual Positions
- ❑ Correlations and Portfolio Capital Charge
- ❑ Jump-to-Default Models and Default Risk Charge
- ❑ Counterparty Credit Risk and CVA Capital

4. Implementation Challenges

- ❑ Setting Market Risk and Counterparty Credit Risk Limits
- ❑ Designing Trading Strategies
- ❑ Market Risk Appetite and Policy

Dates

July 17 – 20, 2018

The programme will commence at 9.00 am on July 17 and conclude by 5.00 pm on July 20, 2018. Participants are expected to reach NIBM Campus positively by the evening of July 16, 2018.

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.

Who Should Attend?

The programme is intended for middle and senior-level executives who are dealing with Market Risk Management in the Risk Management and Treasury Departments of Banks and Financial Institutions.

Programme Coordinators

Prof Sanjay Basu
Associate Professor

Prof Tasneem Chherawala
Assistant Professor
(Finance Area Group)

Last Date for Receiving

Nominations:

July 7, 2018

Last Date for

Availing Early Bird Incentive of 5%:

July 2, 2018

(See fee structure on
home page of the website)

Nominations and Enquiries

Please address your enquiries and
nominations to:

Prof Sanjay Basu
Prof Tasneem Chherawala
Programme Coordinators

National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd
Pune 411 048, INDIA

Tel. : 0091-20-26716000 (EPABX),
0091-20-26716129/124 (Direct)

Fax : 0091-20-26834478

E-mail : sbasu@nibmindia.org
tasneem@nibmindia.org

Website : www.nibmindia.org

Programme Fee (per participant)

US \$ 1600 for foreign participant

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

	Fee	GST	Fee+GST	TDS
Member Banks :	36000	6480	42480	3600
Non-Member Banks :	42000	7560	49560	4200

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.
with Oriental Bank of Commerce : Current A/C 11281131004402
4. Bank's Swift Code : ORBCINBBFCP
5. Oriental Bank of Commerce A/c No.
with Correspondent Bank : 36152559
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.