

Programme on Market Risk Capital Charges (Focus: FRTB)

December 3 – 8, 2018



Coordinators
Dr Sanjay Basu
Dr Tasneem Chherawala



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

Programme on Market Risk Capital Charges (Focus: FRTB)

The global crisis has brought about drastic changes to the estimation of Market Risk Capital Charges. The new guidelines, finalized in January 2016, constitute a Fundamental Review of the Trading Book (FRTB). The revised standardized framework is much more risk-sensitive. The revised IMA better captures the impact of extreme losses, correlation breakdown, market illiquidity and credit risk, on the trading book. In short, regulatory capital charges are more sensitive to specific risk and stress scenarios, under FRTB.

However, banks in emerging markets will face serious skill gaps during the transition to FRTB. This programme will help them appreciate the nuances of different loss estimation methods. It will make them estimate tail risks, with techniques like Expected Shortfall. It will allow them to measure traded credit and liquidity risks. It will also enable them to define Market Risk appetite and improve Market Risk policies. In sum, our programme will equip banks with the latest tools and concepts for migration to the FRTB.

Content

- ☞ **Evolution of Market Risk Capital Charges:** Overview of Market Risk Management; The Standardized Duration Approach and IMA.
- ☞ **Revised Standardized Approach under FRTB:** Delta, Vega and Curvature Risks; Correlations and Portfolio Capital Charges; Jump-to-Default Models and Default Risk Charge; Counterparty Credit Risk and CVA Capital Charges.

- ☞ **Introduction to Value-at-Risk:** Variance-Covariance Method; Historical Simulation; Monte Carlo Simulation; Specific Risk Charges for equity positions.
- ☞ **IMA for Bonds:** Spot and Forward Rates for Bond Valuation; Cash Flow Mapping for Variance-Covariance VaR; Historical Simulation and Monte Carlo Simulation methods; Spread Risk, Default Risk and Migration Risk.
- ☞ **Revised IMA under FRTB:** Expected Shortfall; Default Risk Charge; Correlation and liquidity adjustments; Computation and comparison of capital charges.
- ☞ **Implementation Challenges:** Setting Market Risk limits; Designing trading strategies; Backtesting and Model Validation; Market Risk Appetite and Policy.

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.

Training Methods

Class discussion of concepts and techniques, lab exercises, 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.

Dates

December 3–8, 2018

The programme will commence at 9.00 am on December 3 and conclude by 5.00 pm on December 8, 2018. Participants are expected to reach NIBM Campus positively by the evening of December 2, 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.

Programme Coordinators

Dr Sanjay Basu

Associate Professor & Associate Dean
(Research)

Dr Tasneem Chherawala

Assistant Professor

(Finance Area Group)

Programme Fee (per participant)

US \$ 2400 for foreign participant

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

	Fee	GST	Fee+ GST	TDS
Member Banks :	50400	9072	59472	5040
Non-Member Banks :	58800	10584	69384	5880

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).

Last Date for

Receiving Nominations:

November 23, 2018

Last Date for

Availing Early Bird Incentive of 5%:

November 17, 2018

(See fee structure on
home page of the website)

Nominations and Enquiries

Please address your enquiries and
nominations to:

Dr Sanjay Basu

Dr Tasneem Chherawala

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Pune 411 048, India.

Tel. : 0091-20-26716000 (EPABX)
0091-20-26716129 (Direct)
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E-mail : sbasu@nibmindia.org
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Website : www.nibmindia.org

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 NIBM 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.