December 14 – 19, 2020

(Online Course Duration 25 hours)

Online Programme on Market Risk Capital Charges : Internal Models and Regulatory Approaches

Coordinators

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Global financial markets have become more integrated and volatile in the last few decades. As a result, the frequency and severity of losses in the trading book have also increased. Hence, it is imperative for banks and financial institutions to improve their internal models, for market risk management, which capture the impact of extreme losses, correlation breakdown, market illiquidity and credit risk, on the trading book.

The regulatory approaches to market risk capital charges have also undergone drastic changes. Basel II.5 revisions focused on estimation of stress losses. Under the Basel III reforms, the Fundamental Review of the Trading Book (FRTB) guidelines have made both the Standardised Approach (SA) and IMA much more risk sensitive. As a Pillar 1 charge, the FRTB framework is scheduled to be implemented from January 1, 2023.

The objectives of this programme are to provide the participants with a comprehensive understanding of Market Risk measurement and management, including:

- The relevant methods and concepts for loss estimation, including assessment of tail risks with techniques like Value at Risk (VaR) and Expected Shortfall (ES)
- Measurement of traded credit risk and liquidity risks
- Refinement of Market Risk appetite and Market Risk policies to reflect higher financial market volatility.

Programme Content

- ***Evolution of Market Risk Capital Charges:*** Overview of Market Risk Management; the Standardized Duration Approach and IMA under Basel II
- ***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.

Modalities

This online course will have 25 hours of engagement time spread over a maximum 6 days, which includes several self-paced study and live interactions of participants. The courseware will include the following:

I. Reading material for self-study, Case study or exercise material and online references

II. Video sessions comprising of:

   i. Pre-recorded video sessions.

   ii. Live video sessions by faculty or guest lecturers, for discussions, clarification of doubt, etc.

Participants enrolled to the programme will be provided with login id and password to enter into the learning management platform of the institute. Guidance will be provided for navigating through the various activities in the platform such as accessing courseware, viewing video sessions, participating in live sessions, taking quizzes, etc. The programme window will be open for maximum 6 days including date of commencement.

Live session schedule will be provided at the start of the programme.

Executives attending the programme would need internet access on a desktop or laptop with Google Chrome to enable access to live and recorded sessions.

Completion Certificate

A completion certificate will be given to the participant at the end of the programme. Participant has to remain logged in for at least the total number of engagement hours within the duration of the programme for being considered to have completed the same.

Nominations and Enquiries

Nominations are invited from both Institutions and Individuals from India and Abroad. Executives working in Banks/Financial Institution/Consulting Firms/Technology Firms in the Banking and Financial Services domain can apply for the programme in their individual capacity.

Please address your enquiries and nominations to:

Prof Sanjay Basu
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Programme Coordinators
National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd Pune 411 048 (INDIA)

Tel. : 0091-20-26716000 (EPABX)
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For further details, visit us at Website: www.nibmindia.org

Last Date for Receiving Nominations: December 11, 2020

Programme Fee *(per participant) for 25 hours programme*

US $ 1000 for foreign participant

		Fee	*GST*	*Fee+GST*	*TDS*
Member Banks	:	21000	3780	24780	2100
Non-Member Banks	:	24500	4410	28910	2450
Individual Nominee	:	24500	4410	28910	----

The fee includes the cost of tuition, access to reading material and recorded videos, etc. (Central 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.***