

Credit risk management to drive business growth – Analysis cases



464-P24-VE-2



Virtual



43 hours



EGP 9,270

Course Description:

This course equips Heads of Internal Control and Audit in banks with insights into the regulatory framework of internal control and practical approaches for process management and risk mapping. It provides a comprehensive understanding of key credit risk issues, emphasizing case studies, attractive and unattractive credit applications, and loan management, including intensive care and restructuring. Participants will also gain valuable takeaways related to credit risk management.

Target Audience:

Staff of credit, investment and non-performing loan departments.

Course Objectives:

By the end of the program, participants will be able to:

- Define credit risk in banks.
- Identify credit risk in loans.
- Explain how credit risk arise in banks and how to measure it
- Identify risk measurements and credit rating
- Identify credit appraisal for retail and SME loans.
- Summarize loan pricing and FTP (Funds Transfer Pricing).
- Define credit analysis.
- Relate the impact investing and how it provides an opportunity to enjoy both a social and a financial return
- Identify key regulatory capital issues and impact on bank behavior.
- Apply case studies and key takeaways.

Course Outline

Module One: Credit Risk in Banks:

Session One: Credit Risk in Banks

- Credit risk definition
- BIS 2005 10 principles on sound Credit Risk assessment and valuation
- Assignment

Module Two: Credit Risk in Loans – Overview

Session One: Assessment of Credit Risk

- Credit risk in loans
- Assessment of Credit Risk
- Residential mortgages
- Lombard Lending
- Assignment

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Risk Management

Training Offerings 2024-2025



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Module Three: Where Else Does Credit Risk Arise in Banks?

Session One: Credit risk

- Credit risk – Gross Exposures (before collateral)
- Credit risk – off balance sheet gross exposures
- Assignment

Module Four: Risk Measurement

Session One: Risk measurement

- Risk measurement.
- Credit ratings and Credit Curves
- Assignment

Module Five: Credit Appraisal for Retail and SME Loans.

Session One: CBE segmentation

- CBE segmentation
- Loans to small businesses
- Credit scoring for small businesses
- Assignment

Module Six: Loan Pricing and FTP (Funds Transfer Pricing)

Session One: Fund transfer pricing

- Fund transfer pricing (FTP).

Session Two: Loan pricing

- Loan pricing
- Assignment

Module Seven: Credit Appraisal

Session One: Credit analysis

- Credit analysis.
- Profitability metrics for lending bankers
- Credit Applications and its contents
- SWOT analysis
- Key Factors in Moody's Risk Advisor Model
- Credit analysis – The Hard Bit.

Session Two: Credit Appraisal

- Bank covenants.
- Ongoing Monitoring
- Credit models.
- Composite Ratio Analysis
- Altman Z-Score
- Default Point
- Assignment

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Module Eight: Launch of Final Presentation

Session One: Launch of Final Presentation.

- Impact investing
- Assignment

Module Nine: Key Regulatory Capital Issues and Impact on Bank Behavior:

Session One: Key Regulatory Capital Issues and Impact on Bank Behavior:

- Purpose of Capital Adequacy
- Reminders of Basel I and I
- The impact of Basel III on banks.
- Assignments

Module Ten: Case Studies and Takeaways

Session One: Case Studies and Takeaways.

- Case studies of credits based on real credit applications

Session Two: Importance of credit risk and credit appraisal in banking.

- Why Credit Risk is the first Risk in Banking
- Why Credit Appraisal is Key to Bank Profitability
- Assignment

Assessment Strategy,

- 30% assignments between sessions
- 70% test
- Cut off score is 60% of total grade which is "100"

Upon Successful Completion of this Course, participants will obtain:

3.8 CEUs

Course Language:

English

Prerequisites:

Intermediate level of English