

Market Risk Management and its Significance to Basel II and III



447-P24-CE-1



In-Class



24 hours



EGP 7,350

Course Description:

In this course, participants will learn the basics, methodologies, approaches to optimize market risk management and the role that has to be played within any financial institution.

Target Audience:

The course targets candidates who work in risk, treasury, corporate departments or middle back office departments.

Course Objectives

- Determine the most important standards and pillars of Basel II and III
- Identify and assess risks using quantitative and qualitative analysis
- Explain the concept and function of risk management in the context of corporate governance

Course Outline

Module 1: Introduction to Basel II and III

- Basel II and III - A helicopter overview
- Minimum capital requirements (credit, operations and market Risk)
- Basel II Capital charges Measurement Approaches.
- Types of financial risk.
- Market, credit and operational risk management
- Operational, Market & Credit risk capital calculations using the basic, standardized and advanced approach.

Module 2: Quantitative and Qualitative Analysis to Identify and Assess

Risks

- Interest – Rate Risk and Tactics for Managing IRR
- Foreign Exchange Risk & FX hedging techniques.
- Equity & Commodity Risk
- Liquidity Risk Measurements, Ratios, Triggers and Gap reporting.
- Measures of Interest Rate Risk & Duration Gap Approach.
- Earnings at Risk & Sources of Interest Rate Risk.
- FX correlation, Trading & Banking Book & Funds Transfer Pricing.
- Model Risk, Value-at-Risk, Mark to Market (MTM).
- Stress Tests, Back Testing

Module 3: Risk Management in the Context of Corporate Governance

- Market risk in the context of Basel II and Basel III accords.
- Pre-conditions for Basel III
- key elements of corporate governance

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Risk Management

Training Offerings 2024-2025



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- Economic capital
- ICAAP and its relevance to Risk Management.
- Corporate governance structure and control environment
- Auditing the market risk functions

Assessment Strategy:

Participants will be informally assessed on their interaction during sessions and their participation in group exercises

Upon Successful Completion of this Course, participants will obtain:

2 CEUs

Course Language:

English

Prerequisites:

- From 2-3 years of experience in banking
- Intermediate level of English