

# **ALM & BALANCE SHEET MANAGEMENT - THE NEW NORMAL**

- Date:** June 21 – 24, 2021
- Time:** 9.00am – 1.30pm daily
- Cost:** N345,075.00 per participant
- Venue:** Virtual Class

## **BENEFITS OF ATTENDING**

The Comprehensive Workshop will give delegates a thorough understanding of managing interest rate & liquidity risk and exploring best practice in risk reporting, contingency planning and regulatory compliance in this new Normal.

This course will explore the issues and challenges of Asset and Liability Management for bank risk managers, auditors and regulators. It will emphasise practical advantages and disadvantages of risk measurement and management tools and techniques, using samples of best practice risk reports. The workshop combines theoretical training describing and explaining many of the specific ALM concepts involved with a hands-on application via Excel Simulation.

## **WHO SHOULD ATTEND?**

The course will be extremely valuable to the following people:

- Treasurers
- Chief Risk Officers
- Accounting and Finance Managers
- Asset Managers
- Liquidity Managers
- Risk Managers and Risk Controllers
- Risk Officers
- Auditors and Bank Regulators

## **COURSE OUTLINE**

### **ICAAP IMPLEMENTATION AND ILAAP INTEGRATION**

- ICAAP/ILAAP regulatory expectations
- Industry practice
- Implementation challenges
- Generating returns on your investment

### **MANAGING INTEREST RATE RISK**

- Impact of negative or ultra-low rates on the balance sheet
- Using financial futures and options to hedge interest rate risk
- Customized interest rate agreements
- The Role of Securitization in ALM
- Behaviour assumptions
- Optimization through behaviour model
- Cumulative GAP model and duration GAP model

#### **End of Day 1**

### **OPERATING AN EFFICIENT ALM MODEL**

- How ALM can deliver efficiencies and reduce costs
- Evolution of ALM
- The role of asset liability committee
- ALM function within the treasury
- How the treasury supports your bank strategies
- Defining, monitoring, and reporting risk appetite

### **BALANCE SHEET MANAGEMENT**

- BSM Challenges and solutions in the new normal environment
- Why banks need balance sheet resources
- Capital considerations
- Integrated balance sheet optimization

#### **End of Day 2**

## **FUNDS TRANSFER PRICING (FTP)**

- FTP changes for the new normal environment
- FTP overview
- Regulatory requirements on cost/benefit attribution
- Dealing with the different balance sheet components
- Regulatory cost attribution
- Steering the balance sheet – management overlays

## **ALM FOR CAPITAL MARKETS**

- Improving capital adjusted returns in the new normal environment
- Capital management
- Liquidity and funding
  - LCR, NSFR and their implications
  - Collateral management
- Business model optimization
  - Centralized funding units
  - XVA desks
  - Financial resource management

## **End of Day 3**

## **LIQUIDITY RISK FRAMEWORKS**

- Managing liquidity in the new normal environment
- Improving liquidity
- New modelling approaches
- Assessing the character of the liquidity pool
- Liquidity coverage ratio
- Net stable funding ratio
- Trapped liquidity / legal structure

## **IBOR REFORM**

- Impact of COVID 19 on IBOR reform timetable and approach
- Reassess ALM strategies
- Evaluate model inventory
- Handling the transition
  - Derivatives

- Loans / deposits / securities
- Alternative benchmarks
- Risk free rates

#### **End of Day 4**

#### **Excel Simulation**

#### **End of course**

Kindly forward your nomination(s) to [mmanhq@fmda.com.ng](mailto:mmanhq@fmda.com.ng) and payment can be made to the following account before the commencement date of training:

**Account Name:** Financial Markets Dealers Association

**Bank:** GTBank

**Account Number:** 0001272210

**Branch:** Adeola Odeku, Victoria Island, Lagos.

**Sort Code:** 058152010.

**For further information/Registration, please call Chris on 08023548999 or 08079779911.**