

Risk Management

London: 8 April, 10 November

Course Overview:

At the end of the course participants should be comfortable with the need for, and the techniques of, risk identification and quantification.

They will understand the various roles of management, front office, middle office & support within an organisation's treasury.

They should also be conversant with the concepts of control that are used to contain treasury risk within the parameters defined by the organisation.

Course Content:

Risk Management Defined

- The roles of the treasurer, management, support and middle office
- The historic development of risk management
- The development of new technology

Aspects of Risk

- Credit / counterparty
- Normal market risk
- Abnormal market conditions
- Hidden exposures
- Product liquidity
- House liquidity risk

Concepts of Control

- Defining and measuring the risk - throughout the organisation.
- Traditional methods of control
- Integrated control concepts.
- Banking book vs trading book
- Central Bank guidelines
- Case studies comparing traditional methods and newer techniques
- Accounting and regulatory issues.
- CAD / BIS issues

Defining the Strategy

- Risk tolerance
- Hedging needs
- The principle of efficient frontiers

Setting Limits

- Counterparty related
- Market related
- Simplicity vs accuracy

Interest Rate Exposure Analysis

- Gap analysis
- Duration and convexity: their uses as a measure of risk exposure.
- The validity of yield curve analysis
- The zero-coupon curve.
- "Omega" risk analysis
- Basis risk
- Overview of VAR techniques

Foreign Exchange Exposure Analysis

- Transaction risk
- Pre-transaction (budget) risk
- Translation risk
- Economic risk, including competitor risk.

| Times | Cost | Solicitors Regulation Authority (SRA) CPD Hours |
|--------------------|-----------------------------|--|
| 09.30-17.00 | £475 + VAT (£558.13) | 6 |

**Delivering this course in-house for you to a number of participants could be very cost effective.
Please call us on 020 7387 4484 to discuss this further.**