



ALMA
ASSET & LIABILITY MANAGEMENT ASSOCIATION

FOUNDATIONS

Foundations of Bank Asset &
Liability Management

COURSE OUTLINE



Foundations of Bank Asset & Liability Management is a short classroom-based course that introduces the key concepts of capital, liquidity and interest-rate risk management. It is led by practitioners and is intended for practitioners. The course is ideally suited to people early in their Treasury career who wish to broaden their understanding of A&LM concepts and grasp the “bigger picture”, and who are not yet ready or able to commit to the Certificate in Bank ALM (CertBALM®) course.

Who should attend?

The course will be of interest to those starting their career in A&LM in a bank or building society (or similar) Treasury function. It will also be of interest to those in Finance, Risk, Audit and IT who are responsible for supporting A&LM. Colleagues from customer-facing businesses may also find the course helpful in explaining the balance sheet management opportunities and constraints for their business.

Students will find the course a solid foundation for attending further ALMA events and training courses, including the Certificate in Bank ALM (CertBALM®).

Course Outline

Banking & the role of Treasury

- What do banks do?
- Why are banks special?
- Regulatory policy framework
- Bank balance sheet & income statement
- Balance sheet risks and the role of Treasury

Liquidity and funding risk

- Definition
- Cash flow mismatch
- Measurement under BAU and stress
- Managing liquidity and funding
- Regulatory requirements – LCR, NSFR, ILAAP & L-SREP



Capital

- The nature and purpose of capital
- Different types of capital
- Provisioning
- Risk-based regulatory capital requirements
 - ❖ Pillar 1
 - ❖ Pillar 2 & ICAAP
 - ❖ CRD IV buffers
- Leverage Ratio
- MREL

Interest-rate risk in the Banking Book (IRRBB)

- Definition
- Sources of risk
 - ❖ Fixed, floating and administered rate products
 - ❖ Non-maturing balances & free funds
- Types of risk
 - ❖ Yield curve risks, basis risks, customer optionality
- Risk management
 - ❖ Repricing gaps
 - ❖ Derivatives
- Regulation

How do you Study?

The course is classroom-based. Class size is limited to facilitate active discussion and group exercises, as well as networking.

As well as benefiting from an expert course leader, practitioners from ALMA member banks will join the course to discuss topical issues.

A course dinner will be held on Day 2, at which students can learn more about the work of ALMA and meet ALMA Board members and presenters.



Course Leader – Patricia White

Patricia is a senior banking risk professional who now leverages her experience to design and deliver training for practitioners.

From 2009-15 she headed the global risk team responsible for liquidity and IRRBB at Standard Chartered Bank. Prior to that she spent eight years at Santander UK, where she steered interest-rate and liquidity risks through the integration into the Santander Group risk framework, the 2007-09 Crisis and the rapid integration of the Alliance & Leicester and Bradford & Bingley balance sheets. She began her career at the Bank of England, firstly as an economist and later working on the development of prudential policy.

Patricia was a member of the Committee of the UK Asset & Liability Management Association (ALMA) from 2007-14 and enjoys mentoring on ALMA's new CertBALM® qualification, and supporting the on-going development of its Capital Management unit.

Course Fee

The Course is non-residential
Member Fees: £1,500 plus VAT
Non-Members Fees: £1,900 plus VAT

Venue

Etc.Venues, Bishopsgate Court, 4-12 Norton Folgate, London E1 6DQ
<https://www.etcvenues.co.uk/venues/norton-folgate>

Booking

Please complete the application form below and email to info@ukalma.org.uk

Enquiries

Contact ALMA by emailing: info@ukalma.org.uk