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TRAINING**

# **FTP - Funds & Liquidity Transfer Pricing Implementation Masterclass**

*Practical FTP calculations & related implementation issues. Setting the Standard for Modern Treasury!*

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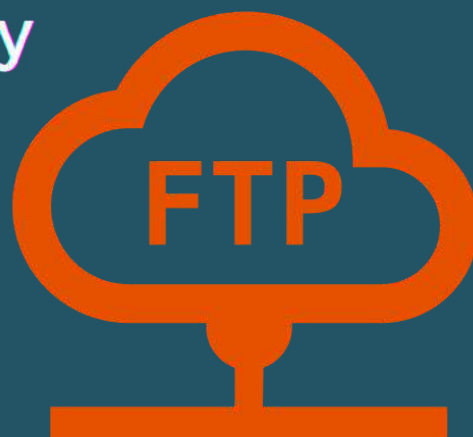


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# FTP - Funds & Liquidity Transfer Pricing Implementation Masterclass



Funds Transfer Pricing (FTP) is an essential part of every bank's liquidity risk management framework – the PRA considers the FTP mechanism to be a vital part of the ILAAP liquidity risk review and approval process. This recognises that FTP is an important part of the risk management process, assisting in understanding the profitability of customers, product lines and organisational units within a bank.

Funds transfer pricing ("FTP") is both a regulatory requirement and an important instrument for at least managing the bank's internal market for liquidity, their interest rate and FX position. From the strategic point of view, FTP can be used to impact the balance sheet structure directly. It is the gateway to managing the bank within the bank.

This intensive masterclass is designed to provide attendees with all the tools needed to properly implement and govern FTP strategy. Sessions will cover the main areas of funds, liquidity & capital transfer pricing as well as looking at the treatment of legal entities and business implications of FTP. We will utilize practical case studies to better equip delegates with an understanding of how FTP mechanisms have and are evolving, what is currently considered by the banking industry to be best practice in terms of their design and operation and strategies for overcoming challenges to them.



*Join your professional community.*

**BECOME AN EXPERT**



## Benefits of Attending

- FTP objectives & implementation
- FTP for balance sheet optimisation
- FTP curve architecture & modelling
- The Key Roles of FTP within the Bank ALM Framework
- FTP's Role in the Market Risk Management Framework
- FTP in Performance Measurement & Capital Allocation
- Allocating Risk and P&L (Profit & Loss)



# Who Should Attend :

- Asset/Liability Management
- Balance Sheet Management
- Bank & Country Risk
- Capital Management
- Capital Modeling
- Compliance
- Counterparty Credit Risk
- Credit Portfolio Management
- Credit Research
- FI Risk Management
- Funding Risk
- Funds Transfer Pricing
- Interest Rate Risk
- Portfolio Strategy
- Prudential Policy
- Quantitative Analysts
- Risk Analysis
- Risk Control
- Risk Integration
- Risk Methods
- Risk Model Development
- Risk Modelling
- Risk Strategy
- Stress Testing
- Supervision/Regulation
- Treasury



## After Attending This Course You Will Be Able To:

- Implement a best practice FTP regime and funding policy in your bank
- FTP Methodologies and deriving the FTP curve
- Four key roles or functions of FTP with the bank
- ALCO and ALM organisation - policy and procedure framework including FTP
- The FTP setting process and best practice governance
- Balance sheet mismatches and risk management – Interest rate (IRRBB), FX and liquidity risks
- Interaction of Basel Liquidity Regime and Funds Transfer Pricing
- Using the Basel Liquidity Coverage Ratio (LCR)
- Liquidity risk management tools within the FTP framework
- Inter-bank funding market developments – Dual Curve Pricing and FVA in the FTP framework
- Empower delegates to become better practitioners
- Understand how banks use FTP to shape their balance sheets
- FTP models accommodate recently implemented Basel regulations

# AGENDA

## FTP objectives & implementation:

- Regulatory overview & Basel III requirements
- Profitability management
- Product pricing
- Best practices for introducing a robust FTP model
- Transfer pricing mechanism design
- Should you adopt a centralised system?

## Liquidity transfer pricing:

- Ensuring consistent regimes
- Managing contingent liquidity risk
- Transferring liquidity costs and benefits
- LCR transfers
- How do you charge for liquidity under LCR?
- Liquidity transfer pricing in the overall risk strategy

## FTP for balance sheet optimisation:

- Asset liability profile study
- Transfer pricing mechanism design
- System requirement specification
- Interface with other functions
- Minimising the banks structural balance sheet gap risk
- Centralized interest rate risk management

## FTP curve architecture & modelling:

- Curve construction
- Industry challenges regarding integrated
- Core design principle of a solution
- Designing FTP curves for the balance sheet
- Modelling FTP - Liquidity stress models
- Focus on FTP setup and pricing methodologies

## The Key Roles of FTP within the Bank

### ALM Framework:

- ALCO and ALM organisation - policy and procedure framework including FTP
- Asset and liability pricing
- Balance sheet mismatches and risk management – Interest rate (IRRBB), FX and liquidity risks
- Risk-Adjusted Return On Capital (RAROC)

## FTP in Performance Measurement & Capital Allocation:

- Governance and organisational challenges in implementing and managing FTP
- The evolving roles of ALM support, finance, treasury and commercial profit centre
- Basel III requirement implications for FTP
- Challenges of fitting different bank business models within the FTP framework

## Practical Transfer Price Calculations:

- Different methodologies to define transfer rate
- Components of a transfer price
- Detailed FTP Curve Construction
- Yield curve-based matched funding
- Treatment of Specific Transactions

## FTP's Role in Bank Liquidity Risk

### Measurement and Management:

- Factoring Basel LCR deposit liquidity buffer 'costs' into the FTP framework
- Dual Curve Pricing (LIBOR & OIS)
- Liquidity risk management tools within the FTP framework





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## ABOUT BIZENIUS

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Our Live online Training feature international thought leaders presenting insight, ideas, and advice. The sessions provide timely and strategic information about the business of learning, current trends impacting workforce development, Digital Innovation, Financial and Risk management, healthy safety, best practices for the industry, and practical information on the latest tools and technology. All our programs are interactive, flexible, and timely, our online training opportunities deliver the content you need to advance your career in a format that works for today's changing industry.

## WHY CHOOSE US

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- **Return on Investment (ROI)** - Delegates can transform the learning into their day to day work
- **Customized and Tailed Program** - Our programs are tailored to the needs of the client and their participants.
- **Cost Effective Program** - Quality training with competitive pricing – helping you achieve results within your budget.
- **Flexible Scheduling** - Select your own dates and timing or go with a pre-scheduled session.
- **Learn from Leaders** - All our program is conceptualized developed and delivered by the market leaders.

## BECOME A MEMBER

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- Members save on every course they nominate
- Post training support by our experts
- Higher return on investment
- Perfectly balance long term learning program
- Carry forward the credit amount to next year
- Use membership for in house , classroom & live online training

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- BPR
- CABS
- Steward Bank
- PRASAC
- Central bank Oman
- Alliance Bank Malaysia
- MyBucks
- BNP Paribas
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- Keystone Bank
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- BCI
- Centenary Bank
- National Trust Bank
- National Bank of Egypt
- Rand Merchant Bank
- Capricorn Group Limited
- Egyptian Arab Land Bank
- Coronation Merchant Bank
- Arab Africa International Bank
- Safwa Islamic Bank
- United Development Bank
- Foreign Trade Bank - FTB
- Suez Canal Bank
- Lombard Odier



## Safety - Covid 19 ( For Classroom Program)

Our number one priority is the safety of our delegates and colleagues, especially in the light of recent health concerns across the world. In addition to this, BIZENIUS adds a further layer of health and safety best practice standards and guidelines, that will be followed at our events wherever applicable and possible. These measures will focus around four key areas: cleaning and hygiene, communications, protect and detect and physical distancing. They're designed to provide you with confidence that at any of our event around the world, we're striving to provide the highest standards of safety, hygiene, cleanliness and quality.

### CLASSROOM PROGRAM DELIVERY POST COVID 19:

- BIZENIUS would be providing a face mask for all the delegates and staff
- Sanitized Venue – We would getting the meeting room sanitized on all the training days
- Thermal check of the delegates and staff before the start of the program on all the days
- Contact less provision of delivery material
- Social distancing - Limited number of delegates for classroom program

You can view our website for classroom program list - [CLICK HERE](#)

You can view our website for Live Online program list - [CLICK HERE](#)







**3856+**

Wonderful Attendees & Counting

**2595+**

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