



**BIZENIUS**<sup>®</sup>  
Connecting Businesses Worldwide!



**LIVE ONLINE /  
Classroom  
TRAINING**

# **IRRBB & ALM – Balance Sheet Optimization Masterclass**

*Embedding the revised IRRBB framework in your next ICAAP cycle*

## **Register Now**



[Trainings@bizenius.com](mailto:Trainings@bizenius.com)



[www.bizenius.com](http://www.bizenius.com)



+ 91 990 220 0556

# IRRBB & ALM – BALANCE SHEET OPTIMIZATION MASTERCLASS LIVE ONLINE

## IRRBB & ALM - Balance sheet in the light of COVID 19



The COVID19 crisis combined with low interest rate environment for a sustained long period has created the perfect storm which, left unmanaged, could have significant impacts on banks' earnings and capital. Interest Rate Risk in the Banking Book (IRRBB) is an area that is becoming increasingly important for banks to proactively monitor and manage in the current environment.

A well-designed IRRBB framework enables a bank to pursue its strategic objectives, conversely a poorly implemented IRRBB framework can lead to long-term damage to a bank's balance sheet structure and risk management position. Join us for this two-day course designed to specifically meet the needs of those working in interest rate risk management and effected by the IRRBB regulation.

The workshop provides delegates with an in-depth understanding of the intricacies of IRRBB management, focusing on the different metrics involved and examining best practice approaches to modelling interest rate risk. Key topic areas including approaches to measurement and reporting, stress testing and disclosure requirement are covered in practical detail.

This masterclass will help delegates with a new or enhanced understanding how best implement these within your organisation and combine with a knowledge and understanding of IRRBB and deposits. Sessions will cover liquidity and interest rate metrics and stress testing with a focus on regulation, implementation, management.

*Join your professional community.*

**BECOME AN EXPERT**



## Benefits of Attending

- Implement a best practice IRRBB regime in your bank
- Strategic ALM and Best-practice ALM principles
- IRRBB and stress testing ( Reverse Stress Testing )
- Impact of low rates and negative rate challenges
- Balance sheet simulation for interest rate capital liquidity
- Managing and optimising the balance sheet
- Funds transfer pricing - FTP





# Who Should Attend :

- Asset/Liability Management
- Balance Sheet Management
- Bank & Country Risk
- Capital Modeling
- Credit Research
- FI Risk Management
- Funds Transfer Pricing
- Interest Rate Risk
- Risk Strategy
- Stress Testing
- Treasury
- Market Risk
- Quantitative Analysts
- Risk Analysis
- Risk Team
- Risk Methods
- Risk Model Development
- Risk Modelling
- Supervision/Regulation
- Credit Risk Team



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

- Understand the value and importance of an effective IRRBB mechanism
- Learn how Net Interest Income derived from IRRBB is a core component of capital stress testing of the regulators
- Understand the use, calculation and application of the two reporting measures (NII and EVE)
- Examples of the mismanagement of IRRBB in several financial institutions
- Get a deeper understanding of how interest risk is linked to IFRS(9) and expected credit losses
- Learn how to overlay business strategy in lending and how liability management impacts interest rate risk (IRR)
- Explore the design of interest rate scenarios and the dynamics of the balance sheet
- Understand links between IRRBB and other regulatory initiatives such as FRTB and liquidity risk management
- Understand risk transfer, fund transfer pricing
- Gain experience of facing regulatory challenge on proposed model
- Gain theoretical and practical understanding of IRRBB methodology
- Applicable balance sheet management strategies for interest rate capital liquidity metrics
- The effects of the Ibor transition on IRRBB and how to effectively handle the changes

# AGENDA

## Reporting metrics: NII and EVE:

- Understanding & applying the value approach
- Understanding & applying the income approach
- Methods for calculating EVE & NII sensitivity
- EVE vs MVE

## Impact of low rates and negative rate challenges :

- How to approach and look at the impact
- Low rate environment challenges
- Pressure on net interest margin
- Impact of negative rates on modelling

## Managing/mitigating IRRBB:

- Cash versus derivative hedges
- Management actions

## IRRBB and stress testing :

- Addressing key challenges of running stress testing exercises
- Selection process of shock and stress scenarios
- Reverse stress tests
- Ensuring continuity and efficiency
- Applying IRRBB stress testing models to other treasury stress tests
  - FTP
  - Liquidity

## Funds Transfer Pricing (FTP) :

- Liquidity term premium best-practice
- Balance sheet management
- The FTP curve methodology

## IRR challenges and how to overcome them :

- Assessing different types of risk – yield curve, basis, option, residual
- Modelling assumptions
- Approaches to modelling deposits
- Non-dated liabilities and their hedging
- Pipeline and pre-hedge risk
- The treatment of capital

## IRRBB: setting up limits and managing the balance sheet :

- Goals for IRRBB management
- Management philosophies
- Concrete examples for limit systems
- How are limits calibrated?
- Hedging and steering the balance sheet

## Strategic ALM and Best-practice ALM principles:

- Customer product origination process and strategic plan
- Board Risk Appetite Statement, Key Risk Indicators & strategic planning process
- Basel III Liquidity: NSFR and LCR
- Strategic ALM and balance sheet management implications
- Basel III Additional monitoring metrics
- Basel III Liquidity principles
- Ensuring an efficient & value-added ILAAP process





**BIZENIUS**<sup>®</sup>  
Connecting Businesses Worldwide!

## ABOUT BIZENIUS

---

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

---

- **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

---

- 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

*Banking Partners*

## OUR CLIENTS

Happy  
Clients



- Citi Group
- ADIB
- KFH
- NBC
- NMB
- CBA
- BNI
- CRDB
- NBAD
- Arab bank
- Bank Misr
- Ahli Bank
- NCB Bank
- Al Baraka
- ABSA Bank
- Capital Bank
- Stanbic Bank
- Bank of Africa
- Standard Bank
- Burgan Bank
- Credit Agricole
- Bank of Maldives
- Banque du Caire
- Saudi Fransi Capital
- Afriland First Bank
- First Atlantic bank
- NDB Bank
- Diamond Bank
- ECO Bank
- Banque Havilland
- Croatian National Bank
- Raiffeisen Bank
- Patria Bank
- GIPF HOUSE
- AB Bank Rwanda
- LCB Bank
- BCH Bank
- UMB Bank
- Bank of Kigali
- Safwa Islamic Bank
- Bank Windhoek
- National Bank of Kenya
- Bloom Bank
- The United Bank
- Capital Bank
- Bank Audi
- QNB
- Fidelity
- DBN
- Alizz Islamic Bank
- National Bank of Malawi
- MoniPlus
- NFC Bank
- BPR
- CABS
- Steward Bank
- PRASAC
- Central bank Oman
- MyBucks
- BNP Paribas
- Ahli United Bank
- Keystone Bank
- Saib Bank
- Bank Muscat
- Afreximbank
- Raw Bank
- FBN Bank
- Bred Bank
- Credit Bank
- Ly Hour
- SABB
- BANK ABC
- NBS Bank
- 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



## 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+**

BIZENIUS Certified Delegates

**9873+**

Hours of Learning and  
Development Training Conducted

**150+**

Banking and Financial company  
choose us for learning and  
development need