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Live Online Programme on Demystifying Statistical Techniques for Risk Management

August 01 – 06, 2022

(Online Course Duration: 20 hours)

Programme Directors

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Bank Management
Pune, India**



Risk management is, first and foremost, a 'science' and then an 'art'. The purpose of risk analysis is to assist risk officers better understand the risks (and opportunities) they take and evaluate the options available for their control so as to enable them to make a much better and conscious decision. Given the appetite for risk, if one uses accurate and relevant data, reliable financial models and best analytical tools, one can minimise risk and make the odds work in one's favour.

Data analysis, statistical modelling, and their applications are the fundamental requirements for measurement and managing the effect of risk. Indian banks will have to necessarily develop a comprehensive self-understanding of the design and operation of a sound risk management system, including modelling, their business applications and uses as well as their limitations. In this context, knowledge of basic statistical techniques and their usage in banking in general and risk management in particular, is the need of the hour.

NIBM is offering this intensive and practical computer hands-on exercise-oriented risk management training programme especially for bank executives to understand the tools and techniques to handle statistical data for identifying and measuring various types of risks at individual level as well as at the institutional level. It is necessary that building blocks of the risk assessment process (or techniques) is understood widely for a smooth migration towards the more sophisticated and robust risk management system.

Key Learning Objectives

To demystify the participants with statistical and quantitative techniques for identifying and estimating crucial risk parameters in the banking business.

To update the participants on the latest developments and techniques in the field of risk management including Basel III advanced approaches, and ICAAP requirements.

To adopt sophisticated approaches to regulatory requirements (including validation and stress testing) and benefit from the transition to risk-based oversight (economic capital and business forecasting).

Coverage

Basics

Overview of risk management in the current scenario – identification, measurement and management of risk, data challenges and requirement, data cleaning and formatting, etc.

Statistical Techniques: Basic statistics for risk measurement – measure of moments, probability distributions, hypothesis testing, mean and variance equality tests, discriminant analysis, correlation, multivariate regression analysis, time series forecasting, diagnostic tests for model validations and simulation techniques.

Basic mathematics and their applications – interpolation and expectation theorem, probability, optimization techniques, factor analysis, value-at-risk approach (VaR), back testing and stress testing, etc.

Specific Computation Methods

Credit Risk: Credit scoring models, estimation of PD, EAD, LGD, transition matrix analysis; correlation of default; expected loss and unexpected loss; credit VaR, economic capital and portfolio analysis; stress testing and model validation.

Market Risk: Identification and measurement for equity and bonds; market VaR with normal distribution and Extreme Value Theorem (EVT) to arrive at market capital and risk-adjusted performance; market risk modelling approaches - variance-co-variance approach; historical simulation versus Monte Carlo simulation.

Liquidity Risk: Liquidity risk estimation for advances and deposits; modelling methods; and liquidity stress testing.

Operational Risk: Measurements of high frequency, low severity, and low frequency high severity events using simulation-based LDA approach; stress testing of scenario analysis; case-study of banks using Excel workout and software data analysis.

Concentration Risk: Measurement of concentration risk and portfolio diversification effect, portfolio construction and simulation methods; estimation of concentration risk capital.

Risk-Adjusted Performance: Business performance analysis and efficiency metrics and integration of risks.

Dates: August 01 – 06, 2022

The programme will start at 10.00 am on August 01, 2022 (Monday) and will conclude by 1.00 pm August 06, 2022 (Saturday). The online learning system window will be opened from Sunday (July 31, 2022) and will be closed on next Sunday mid night (August 07, 2022). The detailed scheduled will be given on July 31, 2022.

Target Group

This programme is designed for executives/officers/professionals posted or who are likely to be posted in the Risk Management/ Economic Research/Analytical Division. Some prior knowledge of statistics is assumed.

Pedagogy

This online course will have 20 hours of engagement time delivered via online mode, over six days. The courseware will comprise of:

- i. Reading material for self-study, case study or exercise material and online references
- ii. Video sessions comprising of:
 - a. Pre-recorded video sessions on several topics including hands on sessions
 - b. Live, interactive video sessions by faculty and guest speakers
- iii. Excel based Templates and Econometric Packages for hands on exercises
- iv. Self-assessment quizzes and assignments to track progress in the course

Modalities

Participants enrolled to the programme will be provided login ID and password to their registered email ids (please clearly specify on which email id it will be sent during enrolment time). Using the login ID and password, the participant will be able to log into the learning management platform of the institute. The detailed programme schedule will be shared with the participants as soon as we open the programme window (it will be opened from Sunday, July 31, 2022). Guidance will be provided for navigating through various activities in the platform such as accessing the courseware, viewing video sessions, participating in live sessions, taking quizzes, etc. The programme window will be kept open for maximum 7 days (till Monday midnight, August 07, 2022) to access the material, live videos etc.

Completion Certificate

A completion certificate will be given to the participant at the end of the programme. Participant has to remain logged in for at least the total number of engagement hours within the duration of the programme for being considered to have completed the same. Feedback should be submitted before the conclusion of live online training programme (i.e. before 1 pm August 06, 2022).

Nominations and Enquiries

Nominations are invited from both Institutions and Individuals from India and Abroad. Executives working in banks/financial institutions/consulting firms/technology firms in the banking and financial services domain and academicians in universities/management institutions can apply for the programme in their individual capacity.

Please address your enquiries and nominations to:

Dr Arindam Bandyopadhyay

Prof Sanjay Basu

Programme Directors

National Institute of Bank Management

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Mobile : 8551032624

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E-mail : arindam@nibmindia.org/sbasu@nibmindia.org

Website : www.nibmindia.org

For nominations, please login using the following link:

<https://erp.nibmindia.org/POApplication#/>

Last Date for Receiving Nominations: July 29, 2022
Last Date to Avail Early Bird Discount : July 16, 2022

Programme Fee (per participant) for 20 hours programme

US \$ 800 for foreign participant

	Fee	GST	Fee+GST	TDS
Member Banks :	28800	5184	33984	2880
Non-Member Banks :	33600	6048	39648	3360
Individual Nominee :	33600	6048	39648	----

The fee includes the cost of tuition, access to reading material and recorded videos, etc. (Central Goods and Services Tax (GST) @ 18%, and TDS @ 10%. Kindly send the TDS Certificate on priority to NIBM).

Discounts

1. 5% "Early Bird" discount for nominations received at least 15 days prior to commencement of programme.
2. Bulk nominations: the following discounts will be applicable :
(a) 6-10 nominations – 5% (b) 11-19 nominations – 10% and
(c) 20 and above – 15%

Mode of Payment for Indian Participants

- The fee may preferably be transferred by RTGS/NEFT/ECS to our A/c No. 20002400021 with Bank of Maharashtra, NIBM Branch, Pune (IFSC Code MAHB0001124). NIBM PAN No. AAATN0040P and GST No. 27AAATN0040P1ZJ.
- National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

- | | |
|---|---|
| 1. Name & Address of our Bankers | : Punjab National Bank
C-2, Shop No. 4-5, Bramha Estate
Kondhwe Khurd, Pune 411 048
Maharashtra, India |
| 2. Name of the Beneficiary | : National Institute of Bank Management |
| 3. NIBM's Bank Account No. with Punjab National Bank | : 11281131004402 |
| 4. Bank's Swift Code | : PUNBINBDDIB |
| 5. Preferred Currency | : USD |
| 6. Correspondent Bank of Punjab National Bank | : WELLS FARGO BANK NA |
| 7. Punjab National Bank A/c No. with Correspondent Bank | : 2000193007918 |
| 8. Swift Code with Wells Fargo Bank | : PNBUS3NNYC |
| 9. IFSC | : PUNB0108810 |

*** The Foreign Bank Charges/ SWIFT charges/Commission is to be borne by the remitter. The fees mentioned in the invoice/brochure is to be paid to NIBM, net of all bank charges.**

***Payments will be accepted only through electronic mode.
Cheques/DDs/Pay Orders will not be accepted.**

- **For all electronic remittances, kindly send a confirmatory e-mail at: accounts@nibmindia.org giving details of the remitter and participant, name and dates of programme, etc.**

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