

Integrated Stress Testing

Framework for
COVID-19
Impact Assessment

Certified Advanced Stress Testing, ICAAP and Capital Planning After Covid-19 Masterclass (with exposure to a stress testing tool) (24 CPD hours)

An all-encompassing educational and developmental experience for Banking Business Leaders, Credit, Risk Management, ALM, Treasury and Finance professionals

17 – 19 May 2021

This workshop will be facilitated by an international banking industry expert

www.dupleixinstitute.com

Delegates will get best practice templates for use at their banks & will be exposed to 'hands-on' learning through the use of several case studies.

COURSE OVERVIEW

Stress Testing remains a key focus for financial institutions in this uncertain environment characterised by the Covid-19 pandemic. This 3-day Masterclass illustrates how to effectively develop, design, manage, and measure a stress testing program within an institution. Participants will develop a detailed understanding of the differences between stress testing and scenario analysis and learn how to design scenarios that are reasonable and actionable. Additionally, this 3-day workshop will discuss the integration of stress testing within your bank's enterprise-wide risk management framework, with specific emphasis on strategic planning, risk appetite, capital adequacy, ICAAP, and contingency planning.

At the end of the 3 days, you will have new insight into the common challenges of stress testing, including reverse stress testing, and how to communicate results to management, the board, and regulators. The information will be offered through a combination of presentations and interactive case studies. This workshop also gives an update of recent developments in Basel II and Basel III framework and the world after covid-19. Delegates will get templates for use at their banks & will be exposed to 'hands-on' learning through the use of several case studies. Delegates will also receive a Stress Testing Tool designed using Excel.

WHO SHOULD ATTEND?

- Business leaders e.g. Chief Executive Officers, Head of Strategy and Divisional Heads;
- Chief Financial Officers and Heads of ALM and Balance Sheet Management teams;
- Heads of Treasury and Chief Risk Officers;
- Board Non-Executive Directors responsible for Risk and ALCO Committees;
- Head of Credit and Credit Risk Managers;
- Credit Risk Analysts;
- Risk Managers and Risk professionals; and
- Compliance and Internal Audit Professionals.

LEARNING OUTCOMES AND BENEFITS

In just 3 days delegates will be able to learn the following:

- Learn how to develop reasonable tests and stress test reports;
- Learn how to use stress testing and scenario analysis to inform capital adequacy and integration into the bank's ICAAP;
- Use stress testing and scenario analysis in enterprise risk management;
- Learn how to compile ICAAP documents that are acceptable to the Regulators and can be integrated into the decision; and
- Develop a checklist with take-aways for immediate application at your institution.



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COURSE OUTLINE

Session 1: Introduction to Stress Testing & Scenario Analysis

- Difference between stress and scenario analysis;
- History of stress testing;
- Relationship to Value At Risk; and
- Types of stress testing and scenario analysis

Session 2: Designing Scenarios

- Relationship to macro events;
- Developing firm specific events;
- How much stress to apply?
- Using regression analysis and statistics to determine relationships and severity of stresses;
- Are the scenarios reasonable and actionable?
- Developing scenarios for specific risk types;
- Ensuring consistency across risk types;
- Aggregating results and considering correlations and
- Understanding data issues

Session 3: Governance of the Stress Programme

- Who will run it;
- How will it be governed?; and
- Developing limits and targets

Case Study: Stress Testing for ICAAP

Session 4: Reverse Stress Testing

- What is it?
- How to identify scenarios; and
- How it integrates with ERM

Session 5: Reporting

- What are the important elements in reporting?
- Design of reports and
- Communicating the results to managers, directors and regulators

Session 6: Use of Stress Testing in Risk Management

- Informing Risk Appetite and Strategic Planning;
- Contingency Planning;
- Capital Adequacy; and
- Pillar 2 and integration into ICAAP

Session 7: Developing an Action Plan and challenges

- Kicking off the programme and getting the necessary consensus;
- Identifying key stakeholders; and
- Integration into planning Agreeing on scenario creation –
- How much & how long?
- Practical use is risk appetite and contingency planning
- Stress Testing Challenges

Demonstration: Stress Testing Tool

Session 9: Capital Planning and Risk-based Performance Measurement

- Why risk-based capital management and risk-based performance measures?
- Economic capital and economic profit
- Aligning the three versions of capital – accounting capital, regulatory capital and economic capital
- Capital management framework
- Preparing a Capital Planning aligned to the Strategy
- Developing capital optimisation initiatives
- What is Risk-Adjusted Performance Measurement (RAROC) and
- Using Risk-Adjusted Performance Measures

Session 10: ICAAP

- Objectives and principles
- Business benefits of producing an ICAAP
- Assessing current status versus target, identifying gaps
- Developing route map and obtaining senior management “buy-in”
- Integrating ICAAP into management and decision-making processes
- Qualitative and quantitative measures for risk assessment
- Risk appetite / risk tolerance / risk aggregation
- Interest rate, credit concentration, liquidity, strategic, regulatory and compliance risk
- Documentation
- Regulatory requirements
- Formulating the ICAAP document (structure and drafting)
- Presentation to boards and regulators

Case study on analysing and critiquing sample ICAAP documents for banks in Africa

Session 11: Basel II and Basel II Summaries and Updates

- Overview of Basel II and Basel III
- Is there Basel IV on the cards & what are the issues?
- Challenges in Basel III and Basel IV implementation

FACILITATOR



Themba Mazibuko is the President and CEO of Dupleix Institute. He is a highly sought-after Asset and Liability Management (ALM) & Enterprise-wide Risk Management (ERM) consultant, trainer and inspirational speaker with more than 23 years financial services experience gained in South Africa and at least 13 countries in Africa. He is a Chartered Accountant (South Africa), an FRM (Financial Risk Management) holder, MBA holder and a member of the CFA Institute based in America. He has also delivered over 600 talks and training workshops over 10 years to a number of financial institutions on risk management, financial management, balance sheet management, asset-liability management and compliance topics. Themba is an expert on financial risk management, capital management & ALM. He has consulted for a number of large financial institutions in at least 10 African countries assisting them to implement Basel II/Basel III, IFRS 9 and IFRS 17 projects. He worked for 12 years for KPMG and 5 years for Barclays Africa where he was Treasurer for Barclays Africa Retail and Business Bank.

UPCOMING LIVE, ONLINE TRAININGS IN JOHANNESBURG

1. Financial Modelling and Valuation Masterclass for Investment Banking and Corporates finance professionals Masterclass – 24 – 26 May 2021
2. Business Continuity Planning & IT Disaster Recovery Masterclass – 21 – 23 June 2021
3. Strategic Asset & Liability Management Masterclass – 28 – 30 June 2021
4. Advanced Stress Testing, Capital Planning & ICAAP Masterclass – 19 – 21 July 2021
5. Basel II, III & IV Masterclass – 26 – 28 July 2021
6. Mastering Strategy Execution (Using Balanced Scorecard) Masterclass – 16 – 18 August 2021
7. School of Risk Management – 23 – 25 August 2021
8. Excel for Financial Services professionals: Introduction to VBA – 13 – 15 September 2021
9. Effective Budgeting, Cost Control and Forecasting Masterclass – 20 – 22 September 2021
10. Strategic Asset & Liability Management Masterclass – 27 – 29 September 2021
11. Credit Portfolio Management & Debt Restructuring Masterclass – 18 – 20 October 2021
12. Compliance Professionals Development Masterclass – 25 – 27 October 2021
13. Financial Modelling and Valuation Masterclass for Investment Banking and Corporates finance professionals – 15 – 17 November 2021
14. IFRS standards update for 2021/2022 – 22 - 24 November 2021
15. Bank Directors Development Masterclass – 1 – 3 December 2021

Dupleix Institute can also organise customised, in-house training interventions in line with your organisation strategy & training plan. Contact Tafadzwa on sheila@dupleixinstitute.com or +27 87 985 0446



Dupleix Institute

*Multiplying value through
training and inspiration*

REGISTRATION FORM – Certified Advanced Stress Testing, ICAAP and Capital Planning After Covid-19 Masterclass

Investment: R13 999 Excl VAT (Online Course including materials and tools)

The above registration fee includes all training materials, lunch and refreshments. It does not include accommodation costs. Please type your name clearly and submit by e-mail.

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E-mail: sheila@dupleixinstitute.com

AUTHORISING PERSON:

First name:		Surname:	
Company:		Designation:	
Postal Address		Phone:	
Country:		Fax:	
Postal Code:		VAT No:	
E-mail Address:			
Signature:		Date:	

By completing and signing this form, the authorising signatory accepts the terms and conditions stated on this form

DELEGATE INFORMATION

Please provide information as you wish it to appear on your name badge (s) and your certificate of attendance.

Title	Delegate name and surname	Designation	E-mail

TERMS AND CONDITIONS

Delegate substitution

Delegates can be substituted at any time at no extra cost. Please inform us of the new name(s) for registration. You may transfer at no extra charge to another event, provided you do so in writing at least 10 working days before the event. Transfers within the 10 working days will be charged an administration fee of 10%.

Cancellations

14 days prior to the course, 75% of the registration fee is refundable, 13 to 6 days prior to the course, 50% is refundable. Within 5 days of the course, 25% is refundable. NO REFUNDS FOR NO SHOWS.

In the event of unforeseen circumstances, Dupleix Institute reserves the right to change the workshop content, the speakers, the venue or the date. You will be notified no less than 5 working days prior to any event. Should the event be postponed, you will have the option to attend the next available date of the relevant event. The registration fee will be credited on the delegate accounts should they opt not to attend the next available date of the relevant event or in the case where an event is cancelled.

PAYMENT DETAILS

Make payment to:

Dupleix Institute (Pty) Ltd
First National Bank
Account number 62410185880
Sandton City Branch code,
Branch number/Sort Code 250655
Swift code FIRNZAJJXXX

Please note that payment is required in full before the workshop date.