

MARKET RISK - TRADING BOOKS

“Quantifying and Managing Market Risk in the Trading Book Environment”

Schedule

Date	Venue	Fees (Face-to-Face)
06 - 07 May 2026	Doha, Qatar	USD 1995 per delegate

Introduction

Market risk in trading books refers to the potential for losses due to fluctuations in market prices, including interest rates, exchange rates, equity prices, and commodity values. With evolving regulatory requirements and increased complexity in trading activities, professionals must understand how to measure, monitor, and manage this risk effectively.

This 2-day intensive course provides a comprehensive overview of market risk exposures in trading operations, focusing on risk metrics, regulatory frameworks, portfolio sensitivities, and the use of Value at Risk (VaR). Participants will gain insights into the latest Basel III/IV trading book rules and risk management best practices.

Objectives

By the end of this course, participants will be able to:

- Understand key sources of market risk within trading books
- Apply core measurement techniques such as VaR and stress testing
- Analyze portfolio sensitivities (delta, gamma, vega)
- Navigate Basel III/IV market risk frameworks and capital charges
- Enhance governance of trading risk controls and reporting

Why Attend

- Learn essential concepts used by risk managers and traders
- Strengthen internal control over market risk exposures
- Understand regulatory developments under the Fundamental Review of the Trading Book (FRTB)
- Improve your ability to interpret and respond to risk analytics
- Prepare for audits, capital planning, and supervisory expectations

Target Audience

This program is designed for:

- Market and trading risk managers
- Front-office traders and portfolio managers
- Financial controllers and product managers
- Basel compliance officers and internal auditors
- Treasury and capital markets professionals

Individual Benefits

Key competencies that will be developed include:

- Market risk identification and quantification
- Application of VaR, stress testing, and scenario analysis
- Understanding of P&L attribution and backtesting
- Familiarity with FRTB internal models vs standardized approach
- Enhanced decision-making based on risk-return profiles

Organizational Benefits

Upon completing the training course, participants will demonstrate:

- Stronger management of trading-related risks
- Enhanced capital efficiency through better modeling
- Regulatory readiness under evolving FRTB guidelines
- Improved transparency and control of trading operations
- Alignment of trading risk practices with global standards

Instructional Methodology

The course follows a blended learning approach combining theory with practice:

- Strategy Briefings - Market risk types, trading book exposure, and FRTB rules
- Case Studies - Real-world trading desk risk failures and analysis
- Workshops - VaR calculations, risk factor mapping, and stress testing
- Peer Exchange - Risk reporting practices and benchmarking
- Tools - Templates for risk dashboards, limit setting, and P&L attribution

Course Outline

Training Hours: 07:30 AM - 03:30 PM Daily Format: 3 Learning Modules | Coffee Breaks: 09:30 & 11:15 | Lunch Break: 01:00 - 02:00

Day 1: Market Risk Overview and Trading Book Exposures

- Module 1: Introduction to Market Risk in Trading Books (07:30 - 09:30) • Risk types: interest rate, FX, equity, and commodity risk
- Module 2: Market Risk Metrics and VaR Models (09:45 - 11:15) • Historical, parametric, and Monte Carlo VaR
- Module 3: Workshop - Build a Basic VaR Model (11:30 - 01:00) • Simulating portfolio volatility and market scenarios

Day 2: Stress Testing, Sensitivities, and FRTB Requirements

- Module 4: Stress Testing and Scenario Design (07:30 - 09:30) • Historical vs hypothetical scenarios and risk factor shocks
- Module 5: Sensitivities and P&L Attribution (09:45 - 11:15) • Delta, gamma, vega and internal model validation
- Module 6: Workshop - Basel FRTB Capital Impact Simulation (11:30 - 01:00) • Compare internal model and standardized approaches

Certification

Participants will receive a Certificate of Completion in Market Risk - Trading Books, validating their capability to assess, model, and manage market risk exposures in line with trading book regulations and institutional risk appetite.

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