

ASSET & LIABILITY MANAGEMENT (ALM) STRATEGIES

"Balancing Risk, Return, and Regulatory Compliance for Financial Institutions"

Schedule

Venue (InHouse)	Fees
At Your Organization Premises	Ask For The Quotation

► Available delivery methods: In-House Training

Introduction

Asset and Liability Management (ALM) lies at the heart of a financial institution's stability, profitability, and regulatory compliance. This course provides a strategic and practical exploration of ALM concepts, tools, and frameworks used to manage interest rate risk, liquidity, capital adequacy, and balance sheet mismatches.

Designed for professionals in banking, insurance, and treasury operations, this course guides participants in building robust ALM models, interpreting key risk indicators, and aligning balance sheet strategy with evolving market and regulatory environments.

Objectives

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

- Understand the key components and drivers of ALM frameworks
- Apply techniques to manage interest rate, liquidity, and funding risks
- Build and interpret ALM dashboards and risk indicators
- Align ALM practices with regulatory requirements (Basel III, IFRS 9)
- Integrate ALM insights into broader strategic decision-making

Why Attend

- Gain comprehensive ALM knowledge tailored to today's financial landscape
- Learn to manage and forecast liquidity, duration, and interest rate gaps
- Build actionable strategies using real-world ALM case studies
- Strengthen regulatory readiness through stress testing and scenario planning
- Improve alignment between finance, risk, and treasury functions

Target Audience

This program is designed for:

- ALM and treasury professionals
- Risk and finance managers
- Bank regulators and compliance officers
- Corporate finance and investment managers
- Internal auditors and strategy analysts

Individual Benefits

Key competencies that will be developed include:

- Mastery of balance sheet risk metrics and control tools
- Enhanced financial risk modeling and scenario analysis
- Ability to interpret regulatory expectations and capital adequacy rules
- Stronger analytical skills for liquidity and funding gap assessments
- Improved ability to link market movements with balance sheet actions

Organizational Benefits

Upon completing the training course, participants will demonstrate:

- More robust balance sheet and liquidity management
- Improved coordination between treasury, finance, and risk departments
- Better regulatory compliance and capital planning
- Proactive response strategies for changing market conditions
- Increased efficiency and profitability through strategic ALM

Instructional Methodology

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

- Strategy Briefings - Focused sessions on ALM strategy, liquidity risk, and capital management
- Case Studies - Real-life examples of ALM failures and best practices in global banks
- Workshops - Practical exercises in building ALM dashboards and interpreting risk scenarios
- Peer Exchange - Structured group discussions on cross-functional coordination and policy design
- Tools - Templates for gap analysis, funding ladders, stress testing, and regulatory reporting

MAWA EVENTS

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Course Outline

DETAILED 5-DAY COURSE OUTLINE (Customizable)

Training Hours: 7:30 AM – 3:30 PM **Daily Format:** 3–4 Learning Modules | Coffee breaks: 09:30 & 11:15 | Lunch Buffet: 01:00 – 02:00

Day 1: Foundations of ALM & Balance Sheet Strategy

- Module 1: Introduction to ALM (07:30 – 09:30)
 - Principles of asset and liability management in financial institutions
 - ALM objectives: stability, liquidity, capital efficiency
 - Regulatory evolution and ALM mandates
- Module 2: ALM in Practice (09:45 – 11:15)
 - Overview of ALM governance and policy frameworks
 - ALCO's role and balance sheet risk oversight
 - Integrating finance, treasury, and risk
- Module 3: ALM Dashboard Fundamentals (11:30 – 01:00)
 - Key indicators: NII, EVE, liquidity ratios
 - Duration and repricing gap analysis
 - ALM reporting templates and regulatory metrics

Day 2: Interest Rate Risk Management

- Module 1: Measuring Interest Rate Risk (07:30 – 09:30)
 - Repricing risk and rate shock scenarios
 - Earning at Risk (EaR) and Economic Value of Equity (EVE)
 - Modeling yield curve shifts and parallel/non-parallel movements
- Module 2: Interest Rate Gap Analysis (09:45 – 11:15)
 - Static vs. dynamic gap analysis
 - Behavioral assumptions for non-maturity deposits
 - ALM case simulation: rate increase environment
- Module 3: Hedging IRR through Derivatives (11:30 – 01:00)
 - Use of swaps, caps, and floors
 - Macro and micro hedging strategies
 - Derivatives accounting and documentation

Day 3: Liquidity Risk & Stress Testing

- Module 1: Liquidity Risk Management Framework (07:30 – 09:30)
 - Basel III liquidity standards (LCR & NSFR)
 - Funding ladders and cash flow forecasting
 - Early warning indicators and contingency funding plans
- Module 2: Stress Testing Techniques (09:45 – 11:15)
 - Idiosyncratic and market-wide stress events
 - Reverse stress testing
 - Integrating stress test results into ALCO decision-making
- Module 3: Intraday and Operational Liquidity (11:30 – 01:00)
 - Settlement and payment system risk
 - Real-time liquidity monitoring tools
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Intraday liquidity buffers and controls

Day 4: Capital Adequacy & ALM Integration

- Module 1: ALM and Capital Planning (07:30 – 09:30)
- Basel capital ratios and buffers
- Capital at risk and economic capital concepts
- Scenario-based capital planning
- Module 2: Funds Transfer Pricing (09:45 – 11:15)
- Role of FTP in ALM and product pricing
- Designing FTP frameworks to support balance sheet goals
- Internal incentives and risk-adjusted pricing
- Module 3: Linking ALM to Strategy (11:30 – 01:00)
- Risk appetite and balance sheet optimization
- Scenario planning and macroeconomic forecasting
- Case study: Strategic response to yield curve inversion

Day 5: Integrated ALM Frameworks and Simulation

- Module 1: Designing a Comprehensive ALM Strategy (07:30 – 09:30)
- Policy design, governance, and stakeholder alignment
- ALM reporting for boards and regulators
- Risk aggregation and holistic dashboards
- Module 2: ALM Simulation Workshop (09:45 – 11:15)
- Constructing a balance sheet risk model
- Simulating ALM policy outcomes
- Peer presentations and feedback
- Module 3: Best Practices and Global Trends (11:30 – 01:00)
- Global ALM benchmarks and innovations
- Emerging challenges (inflation, geopolitical risks, digitization)
- Course wrap-up and key takeaways

Certification

Participants will receive a Certificate of Completion in Asset & Liability Management (ALM) Strategies, confirming their advanced capabilities in interest rate risk, liquidity management, and balance sheet strategy aligned with regulatory and strategic frameworks.

Why Choose MAWA Events

- **Global Expertise:** More than 17 years of experience in professional training and consulting.
- **Industry-Leading Faculty:** Courses delivered by seasoned professionals with hands-on experience.
- **Practical Insights:** Learn to turn theory into actionable strategies for real-world business impact.
- **Client-Focused Solutions:** Customized programs designed to achieve your organisation's unique goals.

In-House / Customized Training

Interested in running this course for your team?

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