

BANK LIQUIDITY RISK & FUNDING MANAGEMENT

“Mastering Techniques to Manage Liquidity Risk, Stress Testing & Regulatory Compliance in Banks”

Schedule

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

► **Available delivery methods:** In-House Training

Introduction

Liquidity risk remains one of the most critical threats to the stability and functioning of financial institutions. The 2008 global financial crisis and recent stress episodes have highlighted the urgent need for effective liquidity risk frameworks, governance structures, and contingency planning.

This course equips banking and financial professionals with the advanced tools and regulatory insights needed to manage liquidity risk effectively. Through simulations, real-world case studies, and interactive modules, participants will gain deep understanding of liquidity measurement, stress testing, contingency funding plans, and Basel III/IV regulatory requirements.

Objectives

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

- Understand the sources and types of liquidity risk in financial institutions
- Apply key liquidity metrics such as LCR, NSFR, and survival horizon analysis
- Design and implement effective stress testing scenarios and contingency plans
- Align liquidity risk strategies with Basel III/IV and regulatory expectations
- Develop a holistic liquidity risk and funding management framework

Why Attend

- Learn the latest regulatory expectations on liquidity risk (Basel III/IV)
- Apply advanced modeling and measurement techniques for liquidity risk
- Develop contingency funding plans and intraday liquidity management strategies
- Strengthen your ability to respond to market-wide or idiosyncratic liquidity shocks
- Engage in interactive case studies based on real-world crises

Target Audience

This program is designed for:

- Treasury and liquidity risk managers
- ALM and funding professionals
- Risk and compliance officers
- Banking regulators and supervisors
- Senior finance and audit executives

Individual Benefits

Key competencies that will be developed include:

- Proficiency in liquidity risk identification and quantification
- Mastery of regulatory frameworks (LCR, NSFR, ILAAP)
- Skills to develop stress testing and crisis response strategies
- Enhanced reporting and decision-making capabilities
- Familiarity with intraday and structural liquidity tools

Organizational Benefits

Upon completing the training course, participants will demonstrate:

- Strengthened liquidity risk governance and oversight practices
- Enhanced resilience through proactive funding and stress planning
- Improved compliance with evolving regulatory standards
- Greater confidence in navigating liquidity events or crisis scenarios
- Stronger alignment between risk appetite and funding strategy

Instructional Methodology

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

- Strategy Briefings - Deep dive into liquidity risk concepts, Basel regulations, and ALM integration
- Case Studies - Real-world bank liquidity failures and stress event analysis
- Workshops - Hands-on design of liquidity buffers, ratios, and contingency plans
- Peer Exchange - Group discussions on institutional practices and funding gaps
- Tools - LCR/NSFR calculators, ILAAP templates, and liquidity dashboard samples

MAWA EVENTS

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Course Outline

• **Module 2: Net Stable Funding Ratio (NSFR) (09:45 - 11:15)**

- Stable funding requirements under Basel III
- Role of liabilities and asset encumbrance
- NSFR in the funding strategy

Module 3: Additional Liquidity Indicators (11:30 - 01:00)

- Survival horizon, stress cash flows, and liquidity gaps
- Internal metrics and early warning indicators
- Setting limits and triggers

Day 3: Stress Testing and Contingency Planning

- Module 1: Liquidity Stress Testing (07:30 - 09:30)
- Designing stress scenarios: idiosyncratic and systemic
- Key assumptions and behavioral modeling
- Reverse stress testing approaches
- Module 2: Contingency Funding Plans (09:45 - 11:15)
- Frameworks and governance
- Defining credible actions and available sources
- Testing and validation of CFPs
- Module 3: Intraday Liquidity Management (11:30 - 01:00)
- Importance of real-time liquidity tracking
- Role of payment systems and central bank facilities
- Tools and reporting for intraday management

Day 4: Regulation & Supervisory Expectations

- Module 1: Basel III/IV Liquidity Framework (07:30 - 09:30)
- Full regulatory overview: LCR, NSFR, ILAAP
- Supervisory review process and SREP expectations
- Global vs. local implementations (EU, GCC, Asia)
- Module 2: ILAAP and ICAAP Integration (09:45 - 11:15)
- Aligning capital and liquidity planning
- Risk appetite and business model linkage
- Pillar 2 reporting and documentation
- Module 3: Internal Reporting & Dashboards (11:30 - 01:00)
- MIS for senior management and board oversight
- Key ratios, liquidity buffers, and forecasts
- Integrating liquidity into ERM framework

Day 5: Strategic Funding & Future Trends

- Module 1: Developing a Sound Funding Strategy (07:30 - 09:30)
- Diversification of funding sources
- Role of covered bonds, securitization, and capital markets
- Managing cost of funds and funding risk
- Module 2: ESG and Liquidity Risk (09:45 - 11:15)
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Climate risk impacts on liquidity profiles

- Green funding and sustainability-linked instruments
- Regulatory expectations for ESG liquidity planning
- Module 3: Final Workshop – Simulated Liquidity Crisis (11:30 – 01:00)
- Group-based crisis simulation
- Applying LCR/NSFR under stress
- Discussion and debrief

Certification

Participants will receive a Certificate of Completion in Bank Liquidity Risk & Funding Management, validating their advanced knowledge in liquidity risk assessment, regulatory compliance, and funding strategy formulation for banks and financial institutions.

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.

<p>In-House / Customized Training</p> <p>Interested in running this course for your team?</p> <p>Please contact us:</p>	<p>TEL:</p> <p>+601116373203</p>	<p>EMAIL:</p> <p>info@mawaevents.net</p>
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