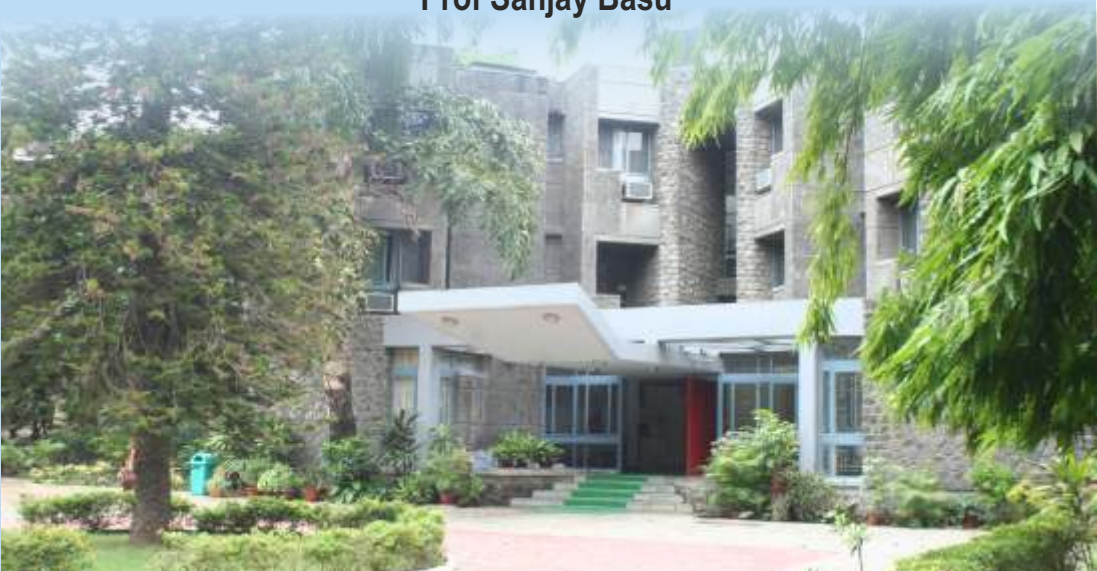


ITEC

**International Programme on
Asset-Liability Management
in Banks and Financial Institutions**

January 20 – 31, 2025
Campus Duration: 12 days (two weeks)

Programme Director
Prof Sanjay Basu



**National Institute of
Bank Management
Pune, India**



Introduction

The recent collapse of big banks, in US and Europe, has showed how difficult Asset-Liability Management (ALM) can be in a competitive world. With focus on short-term liabilities and long-term assets, for profit maximization, banks and financial institutions were hit by sudden spikes in interest rates and withdrawal of bulk deposits. To pre-empt such issues, stringent Interest Rate Risk and Liquidity Risk Standards were introduced under Basel III. These guidelines may be revised, in light of recent events. In July 2024, the Basel Committee did modify the Interest Rate Risk standards, to introduce more stringent shocks.

The demands on ALM are now manifold. With persistent inflation, it is necessary to assess the impact of large rate shocks on NII and net worth. In such an environment, banks also face a number of liquidity risk management problems due to erosion of low-cost deposits, drawdown of unutilized credit lines and exercise of prepayment and premature withdrawal options on loans and deposits. In order to address such challenges, this Programme will equip participants with advanced tools and concepts for ALM.

Objectives

Awareness of ALM challenges; Measurement and Management of Interest Rate Risk in Banking Book and Liquidity Risk; Estimation of capital and liquidity buffers under normal and stressed conditions; Product Pricing and fixation of limits.

Course Content

1. Overview of Asset-Liability Management

- ☐ Evolution of ALM
- ☐ ALM Challenges in Banks and Fis

2. Interest Rate Risk in the Banking Book

- ☐ NII Approach and Earnings-At-Risk
- ☐ Duration Gap Model and EVE Analysis: Basel Guidelines
- ☐ Stress tests: Yield curve, Basis and Options risks
- ☐ Derivatives for IRRBB

3. Liquidity Risk Management

- ☐ Structural Liquidity Statements and Gap Limits
- ☐ Behavioural Analysis
- ☐ Scenario analysis and stress tests
- ☐ Basel III Standards

4. Recent Developments

- ☐ Funds Transfer Pricing for Loans and Deposits
- ☐ Pricing of Loans and Deposits

Faculty

The sessions will be handled by NIBM faculty and senior bankers.

Pedagogy

A mix of various methodologies would be used for the programme. These will include lectures, case studies, group projects and bank visits.

Participation

Middle and senior management executives who are involved in the management of ALM system / funds / treasury, etc. of commercial banks or similar functions in financial institutions and investment banks with minimum 5 years experience. Participants should have adequate working knowledge of the English language.

Completion / Participation Certificate

A completion / participation certificate would be given to the participant at the end of the programme provided he / she attends the programme for the mandated hours of engagement.

Dates

January 20 – 31, 2025

The participants are requested to report by the evening of January 19, 2025 and plan to check-out from the campus latest by 12.00 noon on February 01, 2025.

Venue

NIBM Campus, Kondhwe Khurd, Pune, India

Accommodation

The programme is fully residential. Participants will be provided well-furnished, single room AC accommodation in the Institute's hostel complex in the campus. However, they would not be permitted to bring their family members to stay in the campus. In case, any officer / executive with physical / medical disability is being nominated, kindly inform us in advance with particulars of disability to facilitate necessary arrangements. The Institute has facilities for outdoor and indoor games, and a large walking / jogging trail for physical fitness besides a yoga centre. Participants are therefore encouraged to bring appropriate clothes / gear.

Participants attending the programme on campus will be subject to the prevailing guidelines for educational institutes as per the notifications by the government / civic authorities.

Sponsorship by the Ministry of External Affairs, Government of India

Participants of this programme would be sponsored by the Ministry of External Affairs under the ITEC programme

Medical Care

NIBM has its own health centre equipped with all the necessary facilities and also a Resident Medical Officer (RMO) staying inside the campus to handle the basic health issues (if any) of the programme participants during their stay in the campus. Programme attendees are free to consult the RMO for any health related guidance / care. Participants are advised to bring their regular medicines.

Visa Requirements

Participants are requested to follow up with the Indian High Commission in their country to obtain visa for the sufficient number of days for their stay in India.

Programme Director

Prof Sanjay Basu (Professor of Finance, NIBM, Pune) has a Master's Degree and a Ph.D. in Economics. His teaching, training, research and consultancy activities (spread over almost two decades) are in the domains of Bond Portfolio Management, Market Risk Management, Applications of Game Theory and Contract Theory in Banking and Finance and Asset Liability Management. He has also published several papers, in reputed international journals, in these areas.

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 can also apply for the programme in their individual capacity.

Please address your enquiries regarding nominations and programme content to:

Programme Director

Prof Sanjay Basu

Email: sbasu@nibmindia.org; Tel.: +91-20-26716129 (D); Mobile: 9850704234

Enquiries related to programme registration, accommodation, etc. may kindly be addressed to:

Programme Office

National Institute of Bank Management

NIBM Post Office, Kondhwe Khurd

Pune 411 048 (India)

Tel. : +91-20-26716000 (Board) / 26716375 / 257 / 210 / 392

WhatsApp : 7887884083 (Messages Only)

Email : trainings@nibmindia.org / progofficer@nibmindia.org

Website : www.nibmindia.org

About the Institute

The National Institute of Bank Management (NIBM), Pune, is a premier academic-cum-training institute for providing research, training and consultancy services to the banking industry and financial institutions both in India and abroad. The institute was established in 1969 as an autonomous body by the Government of India and is supported by the Reserve Bank of India, commercial banks and financial institutions in India.

The institute aims at promoting professionalism in the management of banks and other financial institutions by carrying out the following functions:

- ❖ Imparting training and education to bankers both in general and functional management areas.
- ❖ Conducting fundamental and applied research on problems concerning the banking industry.
- ❖ Providing consultancy and other advisory services to the industry in their problem solving endeavours.

NIBM currently has around 30 faculty members including the visiting faculty, working in the following area groups (multi-disciplinary approach): (a) Finance, (b) Human Resource Management, (c) Information Technology, (d) Money, International Banking and Finance, (e) Rural Finance and Development, (f) Strategic Planning, Marketing and Control.

The institute conducts the following major educational and training programmes:

- ✽ Top rated management conferences and seminars on policy issues.
- ✽ Training programmes in functional and general management areas for senior bank executives from India and other countries.
- ✽ Programmes for development of faculty at the banks' training establishments.
- ✽ In-company programmes for meeting organization-specific requirements of banks and financial institutions both in India and abroad.
- ✽ Conducting AICTE approved Post-Graduate Diploma in Management (PGDM) - Banking and Financial Services to provide to the financial system a pool of talented young executives on a regular basis.

NIBM's faculty has been actively involved in research on various subjects concerning the banking and financial system which has led to more than 100 publications in the form of books and monographs.

The institute also brings out the following quarterly journals in English:

- **Prajnan:** Journal of Social and Management Science (launched in 1972)
- **Vinimaya:** Presents conceptual and practical view points of both bankers and management educationists on issues of bank management in an informal style (launched in 1976)

NIBM has contributed significantly to the development of banking and financial sector in India and other developing countries through its consultancy and policy research activities in diverse areas. It is equipped with an excellent library with more than 65,000 books, 10,000 bound volumes of journals and 2,000 reports of various committees. The library receives more than 240 Indian and foreign academic journals on various subjects of management, information technology, banking and finance.

The campus also has a modern, well-equipped computer service centre to support its academic activities in addition to excellent administrative support facilities for carrying out its activities. These include reprographic services, internet, travel booking arrangements, recreational amenities, etc. Above all, medical care is also provided within the campus.

Reaching NIBM Campus at Pune

- The Pune airport also receives a few international flights from Abu Dhabi, Dubai, Sharjah, Thailand, Singapore and Frankfurt. The Chhatrapati Shivaji Maharaj International Airport, Mumbai is the nearest international airport. Pune is connected by air and rail to major metros like Mumbai, New Delhi, Kolkata, Chennai and Bengaluru. The road drive from Mumbai is an unforgettable experience through the Western Ghats. Cabs, shared taxi services and luxury / semi-luxury buses are regularly available from Mumbai airport and Dadar railway station (about 15 kms from Mumbai airport). Air-conditioned cabs and luxury bus charges are around Rs. 2000 (max.) and Rs. 1,500 (max.), respectively. Nevertheless, it is advisable to check travel websites / online apps for the exact fare and book in advance to avoid paying more during peak travel times, since the rates may change based on the prevailing demand and weather conditions, especially in the rainy season. The road journey of 200 kms from Mumbai to Pune normally takes around 3.5 hours. The road map of Pune is given overleaf to guide the outstation participants.
- Transport Facilities at Pune: After reaching Pune, participants are requested to make their own transport arrangements to reach the NIBM campus. Prepaid taxi / autorickshaw services are available at the Pune airport and also Pune railway station, which are 16 and 9 kms away from the NIBM campus, respectively.

Route Map

