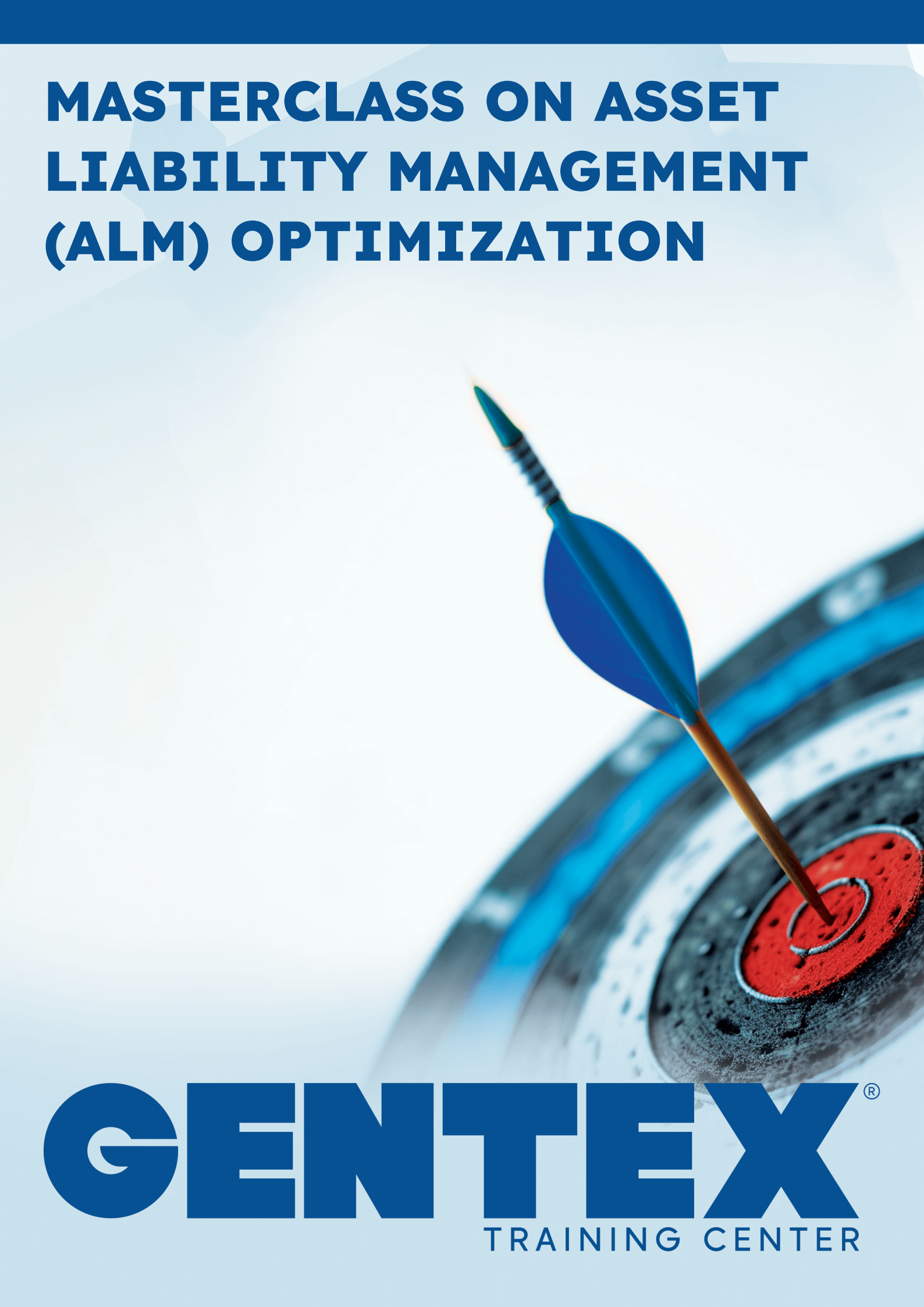
MASTERCLASS ON ASSET LIABILITY MANAGEMENT (ALM) OPTIMIZATION



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TRAINING CENTER

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Introduction

Masterclass on Asset Liability Management (ALM) Optimization Training Course prepares treasury, risk and balance sheet professionals to manage the interaction between assets and liabilities under real constraints. Participants learn how interest rate, liquidity, currency and capital risks combine on the balance sheet, and how to optimise the structure rather than manage each risk in isolation. The programme covers gap and duration analysis, net interest income sensitivity, economic value of equity, liquidity ratios and funds transfer pricing. Furthermore, it addresses hedging strategy, balance sheet optimisation and regulatory reporting. As a result, delegates can present defensible ALM positions to committees and regulators. Gentex Training Center delivers the programme through modelling workshops and committee case work.

Masterclass on Asset Liability Management (ALM) Optimization Course Objectives

- Explain the ALM framework and its role in balance sheet management.
- Apply gap analysis, duration and interest rate sensitivity techniques.
- Calculate net interest income sensitivity and economic value of equity.
- Assess liquidity risk using coverage, funding concentration and stress metrics.
- Apply behaviour assumptions to non-maturity deposits and prepayments.
- Design hedging strategies with swaps, futures and options.
- Apply funds transfer pricing and product pricing frameworks.
- Evaluate capital adequacy and regulatory ratio impacts of balance sheet decisions.
- Optimise balance sheet structure for return and risk targets.
- Report ALM positions and scenarios to committees and regulators.

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Course Methodology

The course combines technical briefings with hands-on modelling workshops and committee simulations. Participants build a gap and duration model, run rate shock scenarios and prepare an ALM committee paper. In addition, structured peer review and group debate sharpen judgement, and each day closes with an applied ALM task.

Who Should Take This Course

- Treasury and ALM analysts in banks and financial institutions.
- Risk managers covering interest rate, liquidity and market risk.
- Balance sheet management and funds transfer pricing professionals.
- Finance and regulatory reporting staff in banks.
- Banking supervisors and reviewers of ALM frameworks.
- Consultants and advisers supporting treasury and risk functions.

Masterclass on Asset Liability Management (ALM) Optimization Course Outlines

Day 1: ALM Framework and Balance Sheet Structure

- Objectives of ALM and its governance within a bank.
- Balance sheet composition, funding mix and maturity profile.
- Interest rate risk in the banking book: repricing and basis risk.
- Liquidity risk, funding structure and deposit behaviour.
- Currency and capital dimensions of balance sheet management.
- ALM policy, limits and committee structures.

- Workshop: mapping a balance sheet into ALM risk categories.

Day 2: Gap, Duration and Interest Rate Sensitivity

- Repricing gap analysis and gap reporting.
- Duration, modified duration and convexity concepts.
- Net interest income sensitivity to rate shocks.
- Economic value of equity and its sensitivity measurement.
- Behavioural assumptions: prepayments, early withdrawals and rollover.
- Basis risk and margin compression analysis.
- Workshop: building a repricing gap and EVE sensitivity model.

Day 3: Liquidity Risk and Funding Optimisation

- Liquidity coverage and net stable funding metrics.
- Funding concentration, diversification and wholesale reliance.
- Cash flow maturity ladder and contractual versus behavioural flows.
- Stress testing scenarios and contingency funding plans.
- Funding cost optimisation and instrument selection.
- Funds transfer pricing design and product profitability.
- Workshop: running a liquidity stress test and funding plan review.

Day 4: Hedging and Balance Sheet Optimisation

- Hedging instruments: interest rate swaps, futures, caps and floors.
- Hedge accounting interaction under IFRS 9.
- Hedging strategies for duration, repricing and basis risk.
- Asset and liability mix optimisation under constraints.

- Capital allocation, RAROC and balance sheet efficiency.
- Scenario optimisation and trade-off analysis.
- Workshop: designing a hedging strategy for an identified exposure.

Day 5: Governance, Reporting and Regulatory Expectations

- ALM committee reporting packs and decision documentation.
- Model governance, assumption review and validation.
- Regulatory expectations on IRRBB, liquidity and capital adequacy.
- Stress testing governance and supervisory review.
- Presenting ALM positions and scenarios to boards.
- Building an ALM optimisation roadmap.
- Workshop: presenting an ALM committee paper before a review panel.

Conclusion

By successfully completing Masterclass on Asset Liability Management (ALM) Optimization Training Course, participants will have acquired the knowledge to manage balance sheet risk and optimise the asset and liability structure. They will understand gap and duration analysis, interest rate and liquidity risk, hedging strategy, funds transfer pricing and regulatory reporting, and they will know how to evidence ALM decisions. As a result, delegates improve balance sheet resilience and returns. Gentex Training Center builds the programme around current treasury and risk practice.

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FAQs for the Masterclass on Asset Liability Management (ALM) Optimization course

Q1 What is the "Masterclass on Asset Liability Management (ALM) Optimization" course about?

It covers how assets and liabilities are managed together on a bank balance sheet. You learn gap and duration analysis, interest rate and liquidity risk, behavioural assumptions, hedging strategy, funds transfer pricing and regulatory reporting, with practical modelling workshops.

Q2 What are the key benefits of the "Masterclass on Asset Liability Management (ALM) Optimization" course?

You gain the ability to measure and explain balance sheet risk rather than relying on system output alone. You also improve hedging decisions, strengthen liquidity and funding planning, optimise funding cost, and present ALM positions that satisfy committees and supervisors.

Q3 What skills will I gain from the "Masterclass on Asset Liability Management (ALM) Optimization" course?

You will gain ALM framework application and balance sheet analysis, interest rate risk measurement using gap, duration and EVE techniques, liquidity and funding risk management, and hedging design, optimisation and regulatory reporting.

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Q4 What tools, methods, or standards are covered in the "Masterclass on Asset Liability Management (ALM) Optimization" course?

The course covers repricing gap analysis, duration, modified duration and convexity, net interest income sensitivity and economic value of equity, liquidity coverage and net stable funding metrics, maturity ladder and behavioural assumption modelling, stress testing and contingency funding plans, funds transfer pricing, interest rate swaps, futures, caps and floors, IFRS 9 hedge accounting interaction, RAROC analysis, and IRRBB regulatory expectations.

Q5 How is the "Masterclass on Asset Liability Management (ALM) Optimization" course applied in real-world practice?

Graduates apply it to build and maintain ALM risk models, measure interest rate and liquidity sensitivity, set and monitor ALM limits, review deposit and prepayment assumptions, design and document hedging strategies, optimise funding mix and product pricing, and prepare ALM committee and regulatory reporting packs.