



Senior Lender's Programme

Highlights

- Know the key issues in loan portfolio management
- Learn how credit ratings are used in managing loan portfolio
- Determine credit quality migration over time
- Carry out a loan portfolio review
- Learn how to provide advice on mergers and acquisition for SMEs
- Understand the mechanics of interest rate and currency rate instruments and how to generate more business from your customers
- Use a strategic planning toolkit to prepare your business for growth

Seminar Facilitators

Mr. Adam K. K. Wong, B.Acc, FCPA, Certified Professional Trainer

Dr. Jeffrey C. K. Lim, Ph.D., C.Sci., C.Math., FIMA, FRM, PRM, B.Fel.

Seminar Duration

2 Days, 9:00am to 5:00pm

Seminar Background

Management of lending risks is one of the challenges faced by banks as they continually seek to grow its business by booking loans at a blistering speed. Banks need to manage its loan portfolio by balancing between business growth, earnings growth and risk mitigation. Besides a pure funding relationship, banks are increasing drawn into providing advisory services on alternate funding sources and financial risk management. This programme will address the above mentioned challenges/opportunities and provide participants with a framework for strategic planning to grow its business.

Seminar Content

- **Loan Management at Customer Level**
 - Post Disbursement Controls
 - Objective of Loan management
 - Use of dash boards
 - Credit ratings
 - Loan review

- **Loan Management at Portfolio Level**
 - Objectives of portfolio management
 - Risks associated with lending
 - Credit risks
 - Interest Rate risks
 - Liquidity risks
 - Price risks
 - Foreign Exchange risks
 - Transaction risks
 - Compliance risk
 - Strategic risks
 - Reputation risks
 - Concentration risks
 - Understanding Hurdle Rates
 - Understand how Hurdle Rates are calculated
 - Understand how Hurdle Rates can be used to compute Effective Actual Earnings (EAE)
 - Compare the use of EAE versus NII as a real measure of earnings
 - Analysing EAE and NII across the entire Credit Portfolio cutting across Credit Ratings
 - Portfolio management
 - Risk identification
 - Exceptions to policy
 - Portfolio Analysis
 - Portfolio EAE and NII
 - Portfolio Credit Value-at-Risk (VaR)
 - Portfolio credit quality
 - Determining credit quality migration over time
 - Viewing aggregate exposure amounts

- Portfolio segmentation and risk diversification
 - Identifying concentration risks
 - Evaluating and managing risk concentration
 - Concentration management techniques
- Stress testing
 - Objective
 - When to stress test
- Loan Examination
 - Asset quality reviews
 - Process reviews
 - Admin and documentation reviews
 - Compliance reviews
- **Business Review**
- **Corporate Finance – Mergers and Acquisition of SMEs**
 - Transaction cycle
 - Valuation of the business
 - Negotiation range
 - General terms of purchase
 - Due diligence
 - Process
 - Checklist
 - Key documents in the transaction
 - Offer
 - MOU
 - NDA
 - Shareholder's agreement
- **Treasury – Going Beyond Loans**
 - An Overview of Treasury Markets
 - The Interest Rate Markets:
 - Introduction to Interest Rate markets
 - Factors influencing the movement of Interest Rates
 - Examples of Interest Rate exposures
 - Overview of Interest Rate financial instruments
 - A discussion on hedging strategies
 - Some examples of Interest Rate hedging strategies
 - A discussion on investment strategies
 - Some examples of Interest Rate investment strategies

- The Foreign Exchange Markets:
 - Introduction to Foreign Exchange markets
 - Factors influencing the movement of Foreign Exchange rates
 - Examples of foreign currency exposures
 - Overview of Foreign Exchange financial instruments
 - A discussion on hedging strategies
 - Some examples of foreign currency hedging strategies
 - A discussion on investment strategies
 - Some examples of Foreign Exchange investment strategies

- **Strategic Planning – Moving Ahead of the Competition**
 - What is a strategy
 - Components of a sustainable competitive edge
 - Levels of strategy
 - Framework for Strategic Planning
 - Setting the strategic direction
 - Vision
 - Mission
 - Defining the business
 - Distinctive capabilities
 - Values & Culture
 - Stakeholders analysis
 - Analysing the external environment
 - Analysing internal resources and capabilities
 - Identify strategic options
 - Evaluation and selection of options
 - Strategic alignment

Benefits of Attendance

This programme goes beyond looking at individual credit risks and dwell into the area of loan portfolio management to provide senior lenders with techniques in pricing, credit risk rating, and portfolio management.

As competition increases in the market place, banks have to go beyond a pure funding relationship and start to address issues which confront a business as it grows. The programme will also take participants through a journey of merger and acquisitions of SMEs, discussing in depth on the process and issues involved. An understanding of this process will enable participants to provide value added service to their customer.

To build further inroads into the customer business, participants will be guided though an in depth discussion on interest rates and currency rates instruments with the objective of increasing fee income for the bank.

Finally, participants will be guided through a strategic planning framework to prepare themselves for business growth.

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Who should attend?

All participants are expected to have a foundation in credit evaluation and financial analysis.

The course will be of interest to: Credit Managers, Credit Analysts, Treasury Managers, Risk Analysts, Financial Analysts, Corporate and Commercial Bankers, Corporate Lending Officers, Portfolio Managers, Bank Regulators.

Seminar Facilitators

Mr. Adam K. K. Wong is a Business Domain Expert Facilitator with PI ETA Consulting Company. He is also an adjudicator of the Financial Industry Disputes Resolution Centre in Singapore.

Prior to his current appointments, he was a General Manager with Standard Chartered Bank and other international banks with 22 years of successful track record in Cash Management, eCommerce, Corporate Banking and Trade Finance and Small & Medium Enterprises.

Having strong strategic orientation and regional exposure in South East Asia and Hong Kong, he is credited with significantly growing global banks' SME assets by 450% and net profit by 140% over a 3-year period in Singapore. He also started a new cash management business for a leading bank in Asia and grew it to a USD35 billion business annually.

Mr. Wong graduated in Accountancy and is a Fellow Certified Public Accountant. He is also a Certified Credit Risk Management Professional and a Certified Professional Trainer.

Mr. Wong has contributed actively to the development and training of professionals in the financial services sector for the past 17 years by sharing his expertise regularly through The Institute of Banking and Finance, Singapore and various other organizations in Malaysia and Indonesia.

He has also conducted programmes in the area of banking and finance for Australian and local universities.

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Dr. Jeffrey C. K. Lim, certified Financial Risk Manager (FRM¹) and certified Professional Risk Manager (PRM²), is currently the Managing Director of PI ETA Consulting Company, a Treasury & Financial Risk Management Consulting Company.

A Chartered Scientist (C.Sci.³), a Chartered Mathematician (C.Math.⁴) and an elected Fellow of the Institute of Mathematics and Its Applications (IMA), U.K. (FIMA), Jeff earned his Ph.D. in Stochastic Financial Modeling from the University of Cambridge in England. Jeff's research interest at Cambridge was in the area of Arbitrage Opportunities occurring in the Mispricing of Financial Options, and his original research culminated in the publication of his doctoral dissertation entitled: "Multi-period Mean-Variance Option Portfolio Strategies".

Jeff was an authorized Securities & Financial Derivatives Representative in London, having been certified by The Securities and Futures Authority (SFA) in England, where he started his career as a Derivatives Analyst with Nomura International in London, England. He subsequently joined NatWest Markets from London, England to become its Head of Currency Structured Products for South and South-East Asia. Jeff then moved to American Express Bank to become its Director of Structured Products, prior to assuming his current position.

Jeff has also contributed to the development and enhancement of talent and infrastructure for Singapore's financial center as a guest Professor at the National University of Singapore's Center for Financial Engineering, where he was responsible for the curriculum of its Master of Science degree program's core modules in Financial Derivatives and Treasury Management. In addition, Jeff has also been invited by the Nanyang Technological University and the Singapore Management University to share his expertise in a similar capacity. In recognition of Jeff's expertise and experience in the field of Treasury and Financial Risk Management, the University of New South Wales Asia appointed Jeff to be its first Adjunct Professor with the university's Division of Business and Humanities.

At PI ETA Consulting Company, Jeff was Principal Inventor in two of the Patents that the company currently holds – one in Treasury & Financial Risk Management Systems, and the other in Knowledge Management Systems.

Professionally, Jeff is a Fellow of both The Global Association of Risk Professionals (GARP), U.S.A. and The Professional Risk Managers International Association (PRMIA), U.S.A. He is also a Fellow of the Cambridge Philosophical Society, U.K. and a Life-time Member of The Cambridge Society, U.K. Jeff is also honoured to be a Fellow of The Cambridge Commonwealth Society, U.K., having been previously awarded the Cambridge Commonwealth Trust and the Shell Group of Companies Doctoral Research Scholarship.

¹ The *Financial Risk Manager* (FRM) designation is awarded by The Global Association of Risk Professionals (GARP), U.S.A.

² The *Professional Risk Manager* (PRM) designation is awarded by The Professional Risk Managers International Association (PRMIA), U.S.A.

³ The *Chartered Scientist* (C.Sci.) designation is awarded by The Science Council, U.K.

⁴ The *Chartered Mathematician* (C.Math.) designation is awarded by The Institute of Mathematics and Its Applications (IMA), U.K.

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As a special recognition of Jeff's professional achievements, on 9 April 1999, Barons Who's Who conferred Jeff with the Barons Fellowship status, making him a Barons Fellow (B.Fel.). This award by their Charter, is limited to only the top 10% of those selected for publication in Barons Who's Who International.

For more information, please contact PI ETA Engagement Resource (PEER) Group at
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