Liquidity and Treasury Risk Measurement and Management Training Course

Professional Development Training Course Outline

Category	Risk Management	**Duration**	5 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

The modern financial landscape is defined by volatility and regulatory stringency, making robust Treasury Management and sophisticated Liquidity Risk control essential for corporate and financial sector resilience. The 2008 Global Financial Crisis and subsequent market disruptions underscored the catastrophic potential of insufficient liquidity buffers and poor funding strategy. Today, institutions must navigate complex global standards like Basel III (LCR and NSFR), manage intricate financial instruments, and leverage FinTech for real-time decision-making. Liquidity and Treasury Risk Measurement and Management Training Course is specifically designed to transition financial professionals from a reactive, compliance-focused mindset to a proactive, strategic approach, ensuring not only regulatory adherence but also the optimization of capital structure and the defense of corporate value against systemic shocks.

The core function of treasury has evolved beyond mere transactional processing to become a strategic value-driver at the intersection of capital, funding, and risk. Effective management demands the application of advanced analytics, rigorous Stress Testing, and the formulation of resilient Contingency Funding Plans (CFP). This training will provide a deep dive into the practical measurement models and hedging strategies necessary to master interest rate risk (IRRBB), foreign exchange (FX) risk, and most critically, funding liquidity risk. Participants will gain actionable skills in Asset-Liability Management (ALM), Internal Funds Transfer Pricing (FTP), and digital treasury transformation, equipping them to steer their institutions towards sustainable profitability and long-term financial stability in an era of continuous market change.

Programme Curriculum

Liquidity and Treasury Risk Measurement and Management Training Course

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Course Duration

5 days

Course Objectives

1. Implement and interpret regulatory metrics, specifically the LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio).
2. Design robust, actionable plans to manage liquidity during severe market stress and crises.
3. Construct and run tail-risk scenarios to assess capital and liquidity adequacy under extreme conditions.
4. Implement advanced models for accurate, real-time intraday liquidity management.
5. Design a fair and transparent FTP framework to correctly attribute funding costs and liquidity benefits.
6. Utilize metrics like Duration and EaR (Earnings at Risk) for effective balance sheet hedging.
7. Incorporate Sustainable Finance considerations into funding and investment strategies.
8. Leverage FinTech solutions, AI, and Blockchain for process automation and enhanced risk intelligence.
9. Develop strategies for efficient collateral management and minimizing counterparty exposure in derivative trading.
10. Utilize derivatives to minimize foreign exchange and commodity price volatility.
11. Establish best-practice structures for the Asset-Liability Committee and risk appetite alignment.
12. Diversify funding sources and maturities to reduce refinancing risk and lower the weighted average cost of capital
13. Identify vulnerabilities in treasury systems and implement controls for secure financial operations.

Target Audience

1. Treasury Managers/Officers
2. Asset-Liability Committee (ALCO) Members
3. Risk & Compliance Professionals
4. CFOs and Senior Finance Executives
5. Internal & External Auditors
6. Investment & Portfolio Managers

7. Central Bank & Regulatory Officials
8. Credit and Market Risk Analysts

Course Modules

Module 1: Foundations of Treasury and Liquidity Risk

- Defining Treasury's Strategic Role and a cost center, and its integration with Enterprise Risk Management
- Sources and types of Liquidity Risk
- Asset-Liability Management (ALM) principles and the role of the ALCO.
- Key Risk Indicators (KRIs) for early warning and monitoring liquidity.
- Case Study: The collapse of Lehman Brothers (2008).

Module 2: Regulatory Liquidity Standards (Basel III/IV)

- In-depth calculation and interpretation of the Liquidity Coverage Ratio and its components
- Calculation and implications of the Net Stable Funding Ratio for long-term funding structure.
- Understanding the Internal Liquidity Adequacy Assessment Process requirements.
- Impact of regulatory frameworks on capital markets and trading book operations.
- Case Study: Basel III Implementation at a major European bank.

Module 3: Liquidity Measurement and Forecasting

- Techniques for Maturity Ladder and Liquidity Gap Analysis for different time horizons.
- Advanced Cash Flow Forecasting models
- Managing and measuring Intraday Liquidity Risk and real-time settlement systems.
- Quantifying the liquidity-related contingent risk from Off-Balance Sheet exposures.
- Case Study: The Northern Rock crisis (2007).

Module 4: Funding and Capital Optimization

- Strategies for diversifying funding sources to reduce Refinancing Risk.
- Managing the Liquidity Buffer
- The role of Credit Rating in funding costs and market access.
- Principles of Debt Issuance and structuring funding programs
- Case Study: Corporate Debt Strategy of a multinational corporation during a rate hike cycle.

Module 5: Stress Testing and Contingency Planning

- Designing relevant and severe Stress Scenarios
- Methodology for calculating cash inflows/outflows under extreme stress assumptions.
- Structuring and implementing the Contingency Funding Plan, including trigger events and action plans.
- Integrating liquidity stress test results with the Recovery and Resolution Planning framework.
- Case Study: COVID-19 Pandemic Stress.

Module 6: Interest Rate and FX Risk Management

- Measuring and hedging Interest Rate Risk in the Banking Book using Gap Analysis and EaR
- Utilizing Derivatives for precise interest rate and currency hedging.
- Quantifying and managing FX Exposure for multinational corporations.
- Fundamentals of Hedge Accounting and its impact on financial statements.

- Case Study: A major airline's Fuel and FX Hedging program.

Module 7: Internal Funds Transfer Pricing (FTP)

- The fundamental goals of an FTP Framework
- Methods for constructing the FTP Curve and managing the Treasury Residual.
- Charging for Liquidity Risk and Interest Rate Risk within the FTP mechanism.
- Integrating FTP with business unit Profitability Analysis.
- Case Study: Rebuilding a bank’s FTP Model post-crisis to properly incorporate the cost of liquidity and regulatory capital.

Module 8: Digital Treasury and Future Trends

- The potential and risks of FinTech and RegTech in automating treasury processes and enhancing compliance.
- Exploring the applications of Blockchain and Distributed Ledger Technology for payments and collateral.
- Implementing Data Analytics and Machine Learning for predictive cash flow modeling and risk identification.
- Addressing Cyber Risk and maintaining data security in the digital treasury environment.
- Case Study: The adoption of a Treasury Management System with API Integration for real-time risk visibility and control.

Training Methodology

This course employs a participatory and hands-on approach to ensure practical learning, including:

- Interactive lectures and presentations.
- Group discussions and brainstorming sessions.
- Hands-on exercises using real-world datasets.
- Role-playing and scenario-based simulations.
- Analysis of case studies to bridge theory and practice.
- Peer-to-peer learning and networking.
- Expert-led Q&A sessions.
- Continuous feedback and personalized guidance.

Register as a group from 3 participants for a Discount

Send us an email: info@fineskilltrainingcenter.com or call +254769199797

Certification

Upon successful completion of this training, participants will be issued with a globally- recognized certificate.

Tailor-Made Course

We also offer tailor-made courses based on your needs.

Key Notes

a. The participant must be conversant with English.

b. Upon completion of training the participant will be issued with an Authorized Training Certificate

c. Course duration is flexible and the contents can be modified to fit any number of days.

d. The course fee includes facilitation training materials, 2 coffee breaks, buffet lunch and A Certificate upon successful completion of Training.

e. One-year post-training support Consultation and Coaching provided after the course.

f. Payment should be done at least a week before commence of the training, to FINESKILL TRAINING CENTER account, as indicated in the invoice so as to enable us prepare better for you.

Upcoming Scheduled Sessions

Start Date	End Date	Location	Price
07 Sep 2026	11 Sep 2026	Physical	$1,500
14 Sep 2026	18 Sep 2026	Physical	$1,500
21 Sep 2026	25 Sep 2026	Physical	$1,500
28 Sep 2026	02 Oct 2026	Physical	$1,500
05 Oct 2026	09 Oct 2026	Physical	$1,500
12 Oct 2026	16 Oct 2026	Physical	$1,500
19 Oct 2026	23 Oct 2026	Physical	$1,500
26 Oct 2026	30 Oct 2026	Physical	$1,500

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