



Managing Catastrophic Risks

Financial professionals have long been focused on credit and market risk. Yet recent tragic events such as hurricanes in the US and terrorist attacks globally have begun to focus executives and risk managers on the management of catastrophic risks. This course explores the identification, measurement, control, and monitoring of catastrophic risks at financial institutions. The intertwined nature of catastrophic risks impact on credit, market, and operational risk is explored. The focus is also on insurance, data collection and backup, and other key factors that mitigate business disruptions. Additionally the course will concentrate on the role of regulators such as the BIS, central banks, and public/private partnerships working on mitigating the impact of catastrophic risks. Case studies and articles will be about the impact of catastrophic risks on financial institutions but will also look at other sectors which could provide useful lessons.

Available Session(s):

12-NOV-2008 -- 13-NOV-2008 New York USD \$2375
NY Institute of Finance - 9:00am - 4:30pm Wed Thu
Midtown
Instructor(s):[Mayra Rodríguez Valladares;]

Targeted Audience

Risk managers, operational risk personnel, compliance and legal personnel.

Special Offer

Clients who register for this course will receive a complimentary 6 month subscription to the Financial Times and FT.com. The Financial Times is the world's most respected financial newspaper providing a broad assessment on finance, business and the industrial sector. Subscriptions will start within 6-8 weeks of the application process, and are limited to one per client. For questions about your subscriptions call 800-628-8088 or email uscirculation@ft.com. US and Canada enrollees only.

Advance Preparation

No advance preparation required.

Prerequisites

Basic knowledge of risk management, credit risk, market risk, and operational risk.

Learning Objectives

Students will be able to:

- Identify components of operational risk
- Contrast operational and catastrophic risks

Follow-Up Courses

Derivatives Suite: Strategies, Trading & Valuation

Value At Risk

Risk Management Suite

Level: Basic

CPE Credits: 14

Instructional Method: Group-Live

Detailed Outline

Day 1 - Operational and Catastrophic Risks

Identifying Operational Risk

- Components of operational risk
- Neglect of operational risk in exchange for credit and market risks

Catastrophic Risks

- Accidents - Cost cutting, BP refinery case
- Terrorism
- Natural Disasters

Regulatory Authorities and Catastrophic Risks

- Sarbanes-Oxley
- Basel II

Data Collection and Back-up

Day 2 - Managing, Measuring, Controlling and Monitoring Catastrophic Risks

Managing Catastrophic Risks

- Deposit Trust and Clearing Corporation
- Emerging split business model

Measuring Catastrophic Risks

- Models to measure risk

Controlling Catastrophic Risks

- Insurance
- Public and private partnerships
- Catastrophe bonds (CAT) and Extreme Mortality Catastrophe Bonds (EMCB)

Monitoring Catastrophic Risks

- Reports necessary to monitor risk

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