

**Risk** magazine presents

# BASEL III

28 September 2011, London

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■ Basel III Implementation ■ Liquidity Risk ■ Capital Management

In response to the financial crisis, global initiatives have been taken to improve the financial regulatory system and ensure the banking sector is better equipped to manage economic stress, enhance risk management and strengthen transparency.

[basel3congress.com](http://basel3congress.com)

*Risk* magazine is delighted to announce the **Basel III Congress** bringing you the latest updates on Basel III rules, implementation and process impact on your business. This one day two-stream congress is designed to facilitate the sharing of best practice and will provide cutting-edge solutions to the challenges facing the banking industry.

Join leading industry experts at the forefront of risk management and regulatory reform and discover how these changes impact your business model.

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# Programme

08.30	Registration and refreshments	
08.50	Welcome address. Chairman's opening remarks: Charles Richard, Co-Founder, QRM	
09.00	<b>KEYNOTE ADDRESS: Preparing for the unintended consequences of Basel III: risk management and mitigation</b> <ul style="list-style-type: none"> <li>● Does Basel III go far enough to manage risks of the banking system?</li> <li>● How do the new requirements impact the capital allocation?</li> <li>● Which is the next asset class to boom and fail?</li> <li>● What new risks does Basel bring to the financial markets?</li> <li>● Does the systemic risk get fatter tails?</li> <li>● Will the Basel Committee be able to effectively monitor implementation?</li> <li>● How to ensure competitiveness of markets? Can the US regulation keep the momentum?</li> <li>● Basel timeframe and potential market movements: are banks going to be able to meet the deadlines?</li> <li>● Minimising the impact of possible failure</li> <li>● Economic and social costs and consequences</li> </ul> Shailesh Shah, Head Treasury, CRO, UBS	
09.40	<b>Creating an Effective Stress Testing Process to Support Strategic Decisions</b> <ul style="list-style-type: none"> <li>● The role of stress tests – management driven and regulatory driven</li> <li>● Essential Ingredients – scenario identification, behavior models, business projections</li> <li>● Key analyses – enterprise earnings and total return, capital adequacy, funding and liquidity</li> <li>● Enhancing decisions for balance sheet optimisation, contingency planning, adapting to regulatory change</li> </ul> David Buck and Savaiz Khawaja, Senior Client Relationship Managers, QRM	
10.20	<b>PANEL DISCUSSION: Addressing the challenges when meeting the new liquidity requirements</b> <ul style="list-style-type: none"> <li>● Liquidity Coverage Ratio (LCR): is this viable for all jurisdictions?</li> <li>● Net Stable Funding Ratios (NSFR): eliminating structural and liquidity mismatches by requiring banks</li> <li>● How will banks meet these ratios?</li> <li>● How to earn money by liquidity mismatch?</li> </ul> Moderator: Arno Kratky, Group Treasury, Head of Liquidity Analytics, COMMERZBANK Andy Jobst, Chief Economist, BERMUDA MONETARY AUTHORITY Hugh Campbell, Director, Treasury, BARCLAYS CAPITAL Bill Rickard, Head of Regulatory Development, Group Treasury, RBS Mario Onorato, Senior Director, Balance Sheet Risk Management Solutions, ALGORITHMIC	
11.00	Morning break and opportunity to network	
	<b>STREAM ONE: Effective capital management</b>	<b>STREAM TWO: Liquidity risk modelling and management</b>
	Chairman's opening remarks	Chairman's opening remarks
11.30	<b>Basel III rules – are they correctly targeted and expected reactions</b> <ul style="list-style-type: none"> <li>● Are the capital rules too high?</li> <li>● What is expected to be the impact on current bank models</li> <li>● Pricing new lines of business and new products</li> </ul> Laurent Balthazar, Head of Risk Analytics, DEXIA GROUP	<b>Systemic liquidity risk and macroprudential stress testing</b> <ul style="list-style-type: none"> <li>● IMF FSAP stress testing approaches</li> <li>● Systemic liquidity risk modeling and its role in macro-prudential policy</li> </ul> Andy Jobst, Chief Economist, BERMUDA MONETARY AUTHORITY
12.10	<b>Contingent capital and loss absorbing capital</b> <ul style="list-style-type: none"> <li>● Potential impact on balance sheet</li> <li>● Bail in capital</li> <li>● How will the market react and hedge CoCos when a bank is nearing default?</li> </ul> Eugen Buck, Managing Director, Senior Advisor to Group CFO, RABOBANK	<b>Making the most of the Observation period for the LCR and NSFR</b> <ul style="list-style-type: none"> <li>● How best to present a case to the Basel Committee, the European Authorities and/or local regulators</li> <li>● What issues are the priority ones?</li> <li>● Challenges arising from using proprietary data</li> </ul> Bill Rickard, Head of Regulatory Development Group Treasury, RBS

# 28 September 2011

12.50 Lunch

13.50 **Comprehensive review for the trading business**

- Trading book and banking book aspects
- Market, credit and liquidity risk
- Regulatory and economic perspectives

Peter Quell, Head of Portfolio Analytics, DZ BANK

**What impact will new regulation have on transfer pricing and can we use it to steer the business?**

- What is the difference between internal liquidity models and Basel III liquidity requirements?
  - How does Basel III translate into steering signals?
  - How will Basel III impact internal transfer prices?
- Arno Kratky, Group Treasury, Head of Liquidity Analytics, COMMERZBANK

14.30 **Lack of uniformity for Basel III implementation**

- How will other European and US regulations evolve in light of Basel III?
- What implications does the "Regulation" format of prudential requirements have on alignment?
- Will the growing divide between UK banks and Germany/France/Switzerland continue as UK regulators get tougher?
- Analysis of US and EU policies: how have markets reacted and what is the suggested way forward?

Monsur Hussain, Capital Management and Regulatory Advisor, INVESTEC BANK

**The Basel III framework for liquidity standards and monetary policy implementation**

- Introduction to the liquidity risk regulation and the function of central banks as liquidity providers
- Interactions between the regulatory and central bank framework
- Possible ways to address the interactions
- Policy conclusions

Jeroen Lamoot, Financial Stability and Policy Expert, NATIONAL BANK OF BELGIUM

15.10 Afternoon Break

15.40 **How do you know you're not the next Lehman? Practical use of reverse stress testing**

- How to define reverse stress testing
- The case for reverse stress testing
- When to do reverse stress testing
- What to test
- Where to obtain scenario variables from

John Christiansen, Senior Director, ORACLE

16.20 **Inflation outlook**

- Impact of the credit crunch on global inflation – inflation or deflation?
- Monetary policy and inflation, the impact of QE
- Targeting inflation in the post-crisis world - core or headline inflation?

Luigi Speranza, Head of Fiscal and Inflation Economics, BNP Paribas

17.00 Chairman's closing remarks. Cocktail reception

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Keynote:

**Shailesh Shah**

Head Treasury, CRO  
UBS



**Laurent Balthazar**

Head of Risk Analytics  
DEXIA BANK



**Bill Rickard**

Head of Regulatory  
Development,  
Group Treasury, RBS



**Peter Quell**

Head of Portfolio Analytics  
DZ BANK



**Andy Jobst**

Chief Economist  
BERMUDA MONETARY  
AUTHORITY



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## Who should attend?

Chief Risk Officers

Chief Financial Officers

Chief Compliance Officers

Heads of Group Supervision/  
Regulation

Heads of Regulatory Development  
Basel Project Managers

Heads of Asset and Liability  
Management/ ALM Managers

Heads of Liquidity/ Liquidity Risk Managers

Heads of Risk Management/ Risk Managers

Heads of Capital Management

Heads of Treasury/ Treasurers

Heads of Prudential Policy Division

Heads of Market Risk  
Methodology/ Market Risk  
Managers

Heads of Balance Sheet  
Management/ Balance Sheet  
Managers

Heads of Finance/ Financial Officers

Heads of Market Risk Control

**You  
should  
attend**

## How to register

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