

META Financial Education

Transformative learning made simple!



Financial Markets, Compliance & Regulation, Personal Development

We are a team of learning experts. Passionate about learning.

We help our clients **learn about markets**, the ever-changing and complex **regulatory landscape** and how to achieve their personal best, manage their careers and **develop their people**.

Trusted By



Collateral Markets Fundamentals Course Overview

Explore in this course how traditional and modern collateralized financing structures are used to meet the supply and demand in the liquidity market. Of particular importance is the risk and capital treatments of these trades for banks which act as the intermediaries for these transactions. Learn important concepts related to the following terms:

Topics

- Liquidity
- Risk weighted assets
- Trading book
- Close out risk
- Capital ratio
- Secured loans
- Securities lending
- Total return swap
- Wrong way risk
- Regulatory capital
- Banking book
- Collateralization
- Loss given default
- Leverage ratio
- Repo
- Collateral swap
- Margining
- Haircut

Format

Delivery options	<ul style="list-style-type: none">• Classroom session (half day)• Virtual classroom (series of 1 to 1.5-hour webinars)• In-house
Option 1: Open course classroom	You attend alongside other market participants £495
Option 2: Virtual classroom	You attend alongside other market participants via an interactive online classroom £395
Option 3: In-house	This course can be tailored specifically for your organisation and delivered at your offices, offering a cost effective solution for more than 5 employees.

Course Details

Collateral Markets Fundamentals at-a-glance

- Secured loans have long existed as an effective financing solution for corporations, financial institutions and individuals. Have you ever heard about other variations such as collateral swaps and total return swaps and wondered what the motivations for these other structures are? Then this class is for you
- A key component in the financing market is a bank. Learn in this class how banks capture the risk mitigation effect of collateralization depending on whether the exposure is a banking book or trading book exposure and whether the collateral is liquid or illiquid
- Learn in this class the key collateralized financing structures, who use them and their impact on the balance sheets of banks acting as intermediaries in these trades
- Learn in this class the essential considerations in the assessment of the liquidity of the collateral and the determination of the haircut on the collateral in the pricing of such structures

*Pre-requisite:

While not necessary, basic knowledge about banking, finance, risk control and regulatory capital treatments will be helpful

Who should attend?



People who are looking to understand the key collateralized financing structures and compare their impact to the balance sheets of banks providing the liquidity in the market



Bank treasurers, debt capital market and structured finance professionals



Risk and financial control professionals in banks acting as intermediaries in the trades



Portfolio managers and support people of hedge funds looking to finance exposure to exotic debt assets

What's covered?

What's covered?	
Content	Exercises & application
<ul style="list-style-type: none"> • The business of borrowing and lending <ul style="list-style-type: none"> ➤ Balance sheet impact and Leverage Ratio Denominator ➤ Risk Weighted Assets and Capital Ratio ➤ Impact of collateral ➤ Banking book and trading book 	

<ul style="list-style-type: none"> • Structures of collateral trades, hedges and capital treatment <ul style="list-style-type: none"> ➤ Industry background ➤ Secured loans ➤ Repo ➤ Securities lending ➤ Total return swaps 	<ul style="list-style-type: none"> • Class exercise: determine the risk and balance sheet treatments of the structures
<ul style="list-style-type: none"> • An exercise <ul style="list-style-type: none"> ➤ Deal rationale ➤ Deal structure: deployment and sourcing, haircuts ➤ What are your conditions to approve the trade? 	<ul style="list-style-type: none"> • Case study: structuring and pricing a trade
<ul style="list-style-type: none"> • Conditions on the collateral <ul style="list-style-type: none"> ➤ Haircut: the factors to consider ➤ Collateral management 	

The “META” approach to Collateral Markets Fundamentals ...what makes our course unique

- On the one hand, this class looks at the collateral market from the perspective of risk control of banks and examines the impact of these trades to risk weighted assets and leverage ratio denominators of the banks
- On the other hand, this class looks at the collateral market from the perspective of the business and examines how the nature and quality of the collateral determines the pricing of a trade
- This class includes a real-life trade as a case study
- This class is presented by a former market practitioner who is also an experienced teacher

Meet Your Trainer:



Kai Hing Lum

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Financial Markets

Kai Hing is an expert financial markets educator.

Kai Hing held several roles during his 21-year tenure at UBS across audit, in which he focused on trading and derivative businesses; and a specialized team responsible for the structuring and risk assessment of complex trades and new businesses.

Equipped with both broad and detailed understanding of finance, Kai Hing then joined the renowned UBS Financial Markets Education team and took on global responsibility to manage programs, create content and teach courses to colleagues and clients on a wide range of topics on equities, fixed income, FX, derivatives, equity valuation, portfolio analysis, risk control frameworks and methodologies.

As an experienced presenter with energetic and enthusiastic presentation style, coupled with a deep understanding of the subjects from his practical experiences, Kai Hing constantly receives high praise from his audience.

Before his career in the financial industry, Kai Hing taught and did research in mathematics after obtaining his Ph.D. in mathematics from the University of Chicago.

Kai Hing leads on our Financial Markets offerings.