



Seminars in Luxembourg for 20 bankers who will be selected among applicants from: Azerbaijan, Bosnia and Herzegovina, Bulgaria, China, Cyprus, Croatia, Czech Republic, Egypt, El Salvador, Estonia, Georgia, Hungary, Kazakhstan, Kosovo, Latvia, Lebanon, Lithuania, Macedonia, Malta, Moldova, Mongolia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tunisia, Turkey and Ukraine

RISK MANAGEMENT – FRM Exam PART I

ORGANISATION SHEET

General objectives

- Provide high quality training in Financial Risk Management
- Focus on regulatory requirements (Basle II)
- Prepare for the international examination of Global Association of Risk Professionals (GARP)

Structure

Course in Luxembourg:

- 1 optional days – on April 17, 2010 (arrival: 16 April)
- 5-day from 19 to 23 April 2010 (arrival: 17 April)
- FRM exam Part I: on May 22, 2010; participants have to register on the GARP website

Examination and certification

Part 1: FRM exam on May 22, 2010

Part 2: FRM exam in November 2010; date not yet published by GARP; registration from June 1, 2010. However, a preparation session for FRM exam Part II will be organised with Prof. Dr. Jorion in October 2011 in order to prepare the FRM exam Part II in November 2011.

To take the examination, please register **directly with GARP**. For more information please consult the following website: <http://www.garp.com/frmexam/>

Materials

The seminar will follow the structure of the following book, revised for 2009: **Philippe Jorion, Financial Risk Manager Handbook, Wiley, 2008 (5th edition)**.

The book provides the core body of knowledge for financial risk managers. It was designed to provide support for candidates taking the Financial Risk Manager (FRM) examination administered by the Global Association of Risk Professionals.

The seminar will encompass the first three chapters of the book

Background material can be found in the following books, which are also on the FRM study guide list:

- John Hull, *Options, Futures, and Other Derivatives* (6th edition, 2006), Prentice Hall
- Bruce Tuckman, *Fixed Income Securities*, (2nd edition, 2002), Wiley.

A complete syllabus will be distributed to the seminar participants in Luxembourg and a list of selected references will be sent to participant



after selection.

Methodology

The programme is based on the concept of lectures alternating with workshops.

Prerequisite

Participants in the seminar should have had prior exposure to quantitative methods, derivatives and fixed income markets. At a minimum, they should have taken the equivalent of an investment class in a conventional MBA program.

Target group

Persons with a good knowledge of English and specialising in the field of Finance and/or Risk Management:

- risk managers ;
- treasurers and traders ;
- risk analysts ;
- portfolio managers ;
- ...

Participants

Maximum **20** participants per session

- 20 candidates from Azerbaijan, Bosnia and Herzegovina, Bulgaria, China, Cyprus, Croatia, Czech Republic, Egypt, El Salvador, Estonia, Georgia, Hungary, Kazakhstan, Kosovo, Latvia, Lebanon, Lithuania, Macedonia, Malta, Moldova, Mongolia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tunisia, Turkey and Ukraine – selected by the experts, PRIM and the seminar organisers according to the relevance of applicants' profile, including both central and commercial bankers.
- Other participants: from Luxembourg-based banks

Language

English (without translation)

Dates

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- 1 optional days – on April 17, 2010 (arrival: 16 April)
- 5-day from 19 to 23 April 2010 (arrival: 17 April)
- FRM exam Part I: on May 22, 2010

RISK MANAGEMENT – FRM Exam PART I

CONTENT

Mr Georges Hübner, Ph.D. in management from INSEAD. He is the Deloitte Professor of Financial management at HEC Management School - University of Liège. He is also Associate Professor of Finance at Maastricht University, Academic Expert at the Luxembourg School of Finance (University of Luxembourg), and Affiliate Professor of Finance at EDHEC (Lille & Nice).

Optional Day: Saturday 17 April 2010

Quantitative preparatory 1-day seminar: FRM Mathematics, Probabilities and Statistics

The main purpose is to cover the necessary mathematics, probability and statistics concepts and techniques to follow Prof. Hübner's course in the best conditions, i.e. to respect its prerequisites. These tools will be reviewed with a focus on their likely applications in financial risk management. A basic knowledge of mathematics and statistics is welcome, however the requirement level in quantitative proficiency is low.

Course outline:

1. Mathematics applied to finance: Logarithms, exponentials, derivatives, differential calculus (application to bond fundamentals)

2. Probabilities: Moments of random variables, univariate and multivariate distribution functions (application to asset and portfolio returns)

3. Statistics and regression analysis:

3.1 Parameter estimation, confidence intervals and hypothesis testing (application to mean and variance estimation)

3.2 Univariate regression, OLS/GLS (application to factor models)

