



NAVIGATING MARKET TURBULENCE

IBF Standards – Relationship Management – Private Banking (Level 2)

8 IBF-STTS TRAINING HOURS

This 8-hour course aims to equip private bankers with the right risk management tools and strategies to better manage clients' investment portfolio in the events of market dislocation and volatility.

TARGET AUDIENCE

- Relationship managers and senior relationship managers in private banks
- Covered persons under Private Banking Code of Conduct

PRE-REQUISITE(S)

- Completed IBF Standards Wealth Management Private Banking Level 1 OR
- Min. 3 years of relevant working experience in private banking

LEARNING OUTCOMES

- Understand the impact of financial market dislocations and volatility on investments
- Apply the best practices to manage investments and navigate market turbulence
- Ability to use common strategies to manage client portfolio in scenarios of extreme market volatility
- Adopt best practices of reducing excessive exposure, reducing leverage and financing when growth prospects become less certain
- Recommend decisions to cut losses and switch into safer and more defensive investments where appropriate
- Client management during market dislocations
- Recognise indicators of impending financial crises and market bubbles
- Learning the lessons learnt from previous financial crisis

COURSE OUTLINE

What is Market Turbulence?

- What is market turbulence?
- Impacts on securities/products
- Benefits of hedging tail risks
- Different types of market turbulence

Best Practices to Manage Market Turbulence

Active Diversification

- Tools for active diversification
- High quality government bonds
- Gold
- Low beta equity
- Hedge funds
- Tail risk ETFs

Hedging Equity Portfolio in Market Turbulence

- Put options
- FX options
- Credit strategies
- VIX Futures
- ETNs on VIX
- Variance swaps

Hedging Bonds in Market Turbulence

- Reduce duration by swapping bonds
- Duration-hedging strategy
- CDS/CDX
- VIX

Hedging Currency Risk in Market Turbulence

- 4 dimensions of managing currency risk
- Common FX hedging instruments

Portfolio Hedging Process

Leverage/Financing in Market Turbulence

- Leverage/financing
- Adjusting leverage

Cutting Losses and Switching Investments

- Cutting losses
- Switching investments
- Managing the hedge

Managing Clients During Market Turbulence

After the Storm

Lessons Learned from Past Crises

- Fundamental indicators of impending crises
- Market indicators of impending crises
- Lessons learned from previous crises
- A tail event plan before the tail event
- Summary

Assessment



IBF STANDARDS

This course is designed to meet the following competencies in IBF STANDARDS.



This programme has been accredited by The Institute of Banking and Finance (IBF) under the IBF Standards.

Industry Segment	: Wealth Management
Job Specialisation	: Relationship Management – Private Banking
Level	: 2
Competency Units (CU)	: CU4 Products: Apply best practices to better manage investments in period of market volatility and dislocations. CU11 Investment Advisory: Understanding Market Volatility Recognise cycles, crises and bubbles and manage client's investments in these scenarios.

IBF-STTS

This programme has been accredited under the IBF Standards, and is eligible for funding under the IBF Standards Training Scheme (IBF-STTS), subject to all eligibility criteria being met. Candidates are advised to assess the suitability of the programme and its relevance to participants' business activities or job roles.

IBF-STTS provides 70% funding for direct training costs subject to a cap of S\$7,000 per candidate per programme subject to all eligibility criteria being met. Find out more on www.ibf.org.sg

ABOUT THE IBF STANDARDS

The IBF Standards are a set of competency standards for financial skills. These Standards are developed in partnership with industry leaders and provide a professional development and skills roadmap for financial sector practitioners to excel in their respective job roles. They currently cover 12 industry segments in the financial sector.

ABOUT THE INSTITUTE OF BANKING AND FINANCE SINGAPORE

The Institute of Banking and Finance Singapore (IBF) is the national accreditation and certification agency for financial industry competency in Singapore under the IBF Standards. Find out more on www.ibf.org.sg

ABOUT SALMON THRUST

Founded in 2004, Salmon Thrust is committed to delivering real-world banking and financial training to professionals working in banks, corporates, government agencies, and other financial institutions.

Based in Singapore, we offer our clients in the region a broad range of up-to-date financial topics, delivered via classroom training and e-learning. Our courses range from foundational programmes for new entrants, right through to the most complex and current topics in the industry.

At Salmon Thrust, we are attentive to our clients' diverse learning needs. We identify relevant courses to bridge the learning and skill gaps, empowering our clients to make better decisions and bring real value to both their customers and organisations.

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