

21, 23, 28 February
and 2 March

Descripción

The entry into force of IFRS 9 entailed a paradigm change in how loan loss provisions are calculated and has naturally drawn the prudential supervisor's attention to the calculation of collective allowances. Reviewing these provisions has highlighted the need to increase the knowledge and use of the quantitative tools available to inspectors. These tools are essential for reviewing internal credit risk measurement models (underwriting, pricing, monitoring, classification and others) and, in particular, collective estimation of loan loss provisions/allowances models.

Aim and content

Real-world examples taken from inspections will be used on:

- a) replication of calculations;
- b) various tests to assess the reasonability of the methodology and the databases used to construct the models; and
- c) quantitative revisions of the provisions/allowances calculated.

The course content will be divided into four blocks:

- Introduction:
 - Introduction to credit impairment measurement under IFRS 9.
 - Data request: loan tape, inventory tape, recovery tape.
 - Challenger models.
 - Introduction to R and RStudio
- Probability and risk modelling.
- Tools and techniques. Data processing and analysis using RStudio.
- Value and loss modelling.

Machines will have to have the “R” software installed for the practical exercises. “R” is open software, and internal authorisation by each supervisor will probably be needed for its installation.

Professional profile of attendees

Banking supervision inspectors and junior analysts. As the course will include an introduction to “R”, no prior knowledge of the software is required.

Organisation, duration and format

The seminar is organised jointly by the Banco de España and the Association of Supervisors of Banks of the Americas (ASBA). It will be held in Spanish and run by Banco de España expert trainers. The seminar will be held virtually.

Participation is by invitation only from ASBA.



Monument to Echegaray (1925)
Lorenzo Coullaut Valera
Marble and bronze