Kamakura Corporation is proud of its long history of innovation in risk management. In every case, new functionality in Kamakura Risk Manager or Kamakura Risk Information Services has been driven by Kamakura clients and friends of the firm. Kamakura seminars are designed to maximize the effectiveness of risk management at both institutions that are already Kamakura clients or institutions with a strong interest in Kamakura’s approach to risk management. Classes are taught by Kamakura founder and CEO Donald R. van Deventer, Managing Director for Research Prof. Robert Jarrow or Senior Research Fellow Prof. Jens Hilscher with assistance from Kamakura’s team of international risk management experts.

Stress Testing, Counterparty Credit Risk, and Capital Adequacy Boot Camp

This advanced class is focused on the accurate assessment of “total risk” of any subset or the entire balance sheet of an organization. Kamakura believes that the only approach to accurate portfolio risk assessment is a “bottoms up” with maximum accuracy at the individual transaction and individual counterparty level. The course begins with a brief review of yield curve construction and simulation for both the risk-free and risky yield curves. The course then covers default model construction and determinants of credit spreads. With this foundation, the course focuses intensely on the vastly different implications of value-at-risk calculations versus a put option or reinsurance which could be used to mitigate some or all risk. We then move on to stress testing with respect to macro-economic factors, starting at the transaction level and individual counterparty level and aggregating to total risk. Market data is used to illustrate the perceived total risk of the largest financial institutions in the world. Please note that the focus of this course is on real economics and market values, not regulatory pronouncements nor accounting pronouncements. Advanced Financial Risk Management, 2nd edition, is the primary text, supplemented with very important articles by the leading academics in this field.

Dates and Locations

For more information and an application to attend a Kamakura seminar, please contact info@kamakuraco.com or your Kamakura Corporation representative. Priority is given to employees of firms which use Kamakura Risk Manager or Kamakura Risk Information Services default probabilities and market information.