

e-learning and reference solutions for the global finance professional

Global Economic Crisis - Liquidity Management

The themes of this product are to understand:

- AMLF a lending facility provided to the U.S. depository institution and bank holding companies.
- CPFF a facility authorized under section 13(3) of the Federal Reserve Act to enhance liquidity in the commercial paper markets.
- MMIFF a facility authorized under section 13(3) of the Federal Reserve Act to provide liquidity to U.S. money market mutual funds and certain other money market investors
- TALF a funding facility that helps market participants to meet the credit needs of households and small businesses
- TSLF a weekly loan facility that promotes liquidity in Treasury and other collateral markets
- TLGP a program announced by the FDIC to avoid or mitigate adverse effects on economic conditions or financial stability
- Money market mutual funds that offer a relatively lower-risk alternative for investors who seek stability and liquidity

Global Economic Crisis - Liquidity Management

Overview

This e-learning course on Liquidity Management Government Programs is designed to help users to understand various lending and funding facilities provided by FRB for various purposes. The e-learning course also helps user to understand the FDIC's initiatives in the nation's financial sector and U.S. Treasury's funding facility. The course covers eligible borrowers, issuers, and sellers of different programs. In addition, the course discusses the procedures and steps required to participate in different programs.

www.kesdee.com

Working of MMIFF

- ▶ The Federal Reserve Bank of New York will provide senior secured funding to a series of special purpose vehicles (SPVs) established by the private sector to finance the purchase of certain money market instruments from eligible investors.
- ▶ Each SPV will finance its purchases of eligible assets by selling asset-backed commercial paper (ABCP) and by borrowing under the MMIFF. The SPV will issue to the seller of the eligible asset subordinated ABCP equal to 10% of the asset's purchase price.
- ▶ The New York Fed will lend to each SPV, on a senior secured basis, 90% of the purchase price of each eligible asset. The SPVs will hold the eligible assets until they mature, and proceeds from the assets will be used to repay the Federal Reserve loan and the ABCP.
- ▶ The diagram depicts the working of MMIFF.

Diagram:

```
graph LR; FRBNY((FRBNY)) -- "Senior Secured Loans (90% of purchase price)" --> PSPV((PSPV)); PSPV -- "Cash (90% of purchase price)" --> MMF((Money Market Funds*)); PSPV -- "Money Market Instruments**" --> MMF; MMF -- "ABCP (10% of purchase price)" --> PSPV;
```

*Eligible Investors
**Eligible Assets

Course Level and Number of Courses

Intermediate to Advanced.

Library of 10 Courses

Liquidity Management Government Programs

Time taken to complete each

Course: One hour

Library of 10 Courses

Individual course description

1. Asset-Backed Commercial Paper Money Market Mutual Fund Facility (AMLF)

- Objectives of AMLF
- Eligible borrowers who can obtain loan
- Eligible collateral for pledge under AMLF
- Accounting consideration
- Associated risk with the ABCP
- Various types of regulatory reports

2. Commercial Paper Funding Facility (CPFF)

- Purpose of CPFF
- Eligible issuers of commercial paper
- Terms and conditions of CPFF
- Various types of commercial paper purchased by SPV
- Eligible sellers
- The legal aspects of CPFF

3. Money Market Investor Funding Facility (MMIFF)

- Purpose of MMIFF
- Eligible assets of a SPV
- Eligible investors
- Steps required to participate in MMIFF
- Downgrade of an eligible asset
- Termination and wind-down process

4. Term Asset-Backed Securities Loan Facility (TALF)

- Purpose of TALF
- Eligible borrowers for TALF
- Eligible collaterals for TALF
- Functioning of TALF
- Transaction structure and pricing of TALF
- Roles of a primary dealer, custodian bank and U.S. Treasury Department
- Non-mortgaged-backed ABS and explain its eligible collateral
- Eligible collaterals for newly issued CMBS
- Eligible collaterals for legacy CMBS
- Process from subscription to settlement of TALF
- Measures to protect TALF from credit losses

5. Term Securities Lending Facility (TSLF)

- Eligible collaterals to participate in TSLF program
- TSLF auction
- Bidding process in TSLF auction
- TOP program and eligible collaterals to participate TSLF program
- Relationship between TOP and TSLF auctions
- TOP auction
- Bidding process in TOP auction

6. Temporary Liquidity Guarantee Program (TLGP)

- Interim Rule of TLGP
- Amended Interim Rule of TLGP
- Areas for which the FDIC sought comments
- Final Rule of TLGP with respect to:
 - I. Senior Unsecured Debt
 - II. Debt Guarantee Program
 - III. Transaction Account Guarantee Program

7. Temporary Guarantee Program for Money Market Mutual Funds

- Eligible funds
- Process to participate in the program
- Guarantee providers of the program
- Termination of the program

Library of 10 Courses

Individual course description

8. Risk Management Lessons from the Global Banking Crisis

- Key observations and conclusions of the research on Global Banking Crisis.
- Funding challenges experienced by many financial firms during the crisis
- Observed and planned changes in funding and liquidity risk management practices
- Supervisory evaluation of self-assessment and critical areas for continuous firm improvements

9. International Framework for Liquidity Risk

- The regulatory standards to promote the short-term resiliency of the liquidity risk profile of institutions
- How to promote resiliency over long-term time horizons
- The Liquidity coverage ratio to identify the amount of unencumbered, high quality liquid assets of institutions
- The Net stable funding ratio to measure the amount of longer term, stable sources of funding
- Various monitoring tools to monitor liquidity risk profiles of banks
- The application issues for standards and monitoring tools

10. IIF Report Reforms in Financial Services Industry

- Risk management, risk management methodologies and procedures, and implementation of risk management recommendations
- Liquidity risk and improvement in liquidity risk management
- Valuation issues and efforts to improve valuation methodologies, standards, and disclosures
- The compensation practices in financial institutions and its governance
- The restoring confidence in the securitization market and the ratings of structured products and implementation of various recommendations
- Transparency and disclosure of information about the products on the part of firms

Available Products

KESDEE's Off-the-Shelf e-Learning Course Libraries

Product Name	No. of Courses
1. Asset Liability Management	Library of 28 Courses
2. Liquidity Management and Contingency Funding Plan	Library of 14 Courses
3. Financial Institution Analysis - CAMELS Approach	Library of 08 Courses
4. Financial Mathematics	Library of 07 Courses
5. Global Banking Supervision	Library of 15 Courses
6. Capital Adequacy Planning (Basel I)	Library of 07 Courses
7. Basel-II-University	Library of 63 Courses
8. Operational Risk Management – Basel II	Library of 09 Courses
9. Futures and Forwards	Library of 07 Courses
10. Swaps	Library of 07 Courses
11. Options	Library of 10 Courses
12. Market Risk - Basic	Library of 08 Courses
13. Market Risk - Intermediate	Library of 08 Courses
14. Market Risk - Advanced	Library of 04 Courses
15. Value at Risk	Library of 16 Courses
16. Credit Analysis	Library of 13 Courses
17. Credit Ratings	Library of 03 Courses
18. Counter party Credit Risk	Library of 09 Courses
19. Credit Risk Modeling	Library of 06 Courses
20. Credit Derivatives	Library of 23 Courses
21. Operational Risk Management	Library of 21 Courses
22. Asset Securitization	Library of 28 Courses
23. Asset Liability Management for Insurance Companies	Library of 29 Courses
24. Anti-Money Laundering	Library of 06 Courses
25. Financial Privacy	Library of 06 Courses
26. Corporate Governance	Library of 09 Courses
27. Sarbanes-Oxley Act	Library of 12 Courses
28. Governance, Risk and Compliance	Library of 07 Courses
29. Money Markets	Library of 09 Courses
30. Fixed Income Markets	Library of 17 Courses
31. Equity Markets	Library of 10 Courses
32. Foreign Exchange Markets	Library of 09 Courses
33. Commodity and Energy Markets	Library of 03 Courses
34. CTM - Foreign Exchange Management	Library of 07 Courses
35. CTM - Treasury Analytics	Library of 05 Courses
36. CTM - Interest Rate Risk Management	Library of 04 Courses
37. CTM - Funding and Investments	Library of 05 Courses
38. CTM - Implementation	Library of 04 Courses
39. CTM - Case Studies	Library of 05 Courses
40. Understanding Financial Statements	Library of 02 Courses
41. Budgeting	Library of 05 Courses
42. Management Accounting	Library of 07 Courses
43. Financial Accounting	Library of 09 Courses
44. Mutual Funds	Library of 10 Courses
45. Financial Planning	Library of 09 Courses
46. UCP600	Library of 07 Courses
47. International Trade Services	Library of 09 Courses
48. BBM - Deposits	Library of 04 Courses
49. BBM - Advances	Library of 07 Courses
50. BBM - Marketing	Library of 03 Courses

Available Products

KESDEE's Off-the-Shelf e-Learning Course Libraries

Product Name	No. of Courses
51. BBM - Payment and Settlement System	Library of 02 Courses
52. BBM - Foreign Exchange Operations	Library of 03 Courses
53. BBM - Trade Finance	Library of 02 Courses
54. BBM - Book Keeping and accounting	Library of 03 Courses
55. BBM - Ancillary Services	Library of 02 Courses
56. BBM - Risk Management	Library of 03 Courses
57. BBM - Technology and Security	Library of 02 Courses
58. BBM - HRM and CSR	Library of 02 Courses
59. BBM - Retail Banking	Library of 03 Courses
60. Introduction to Bank Lending Environment	Library of 07 Courses
61. Basics of Banking	Library of 10 Courses
62. Flotation	Library of 04 Courses
63. Project Valuation	Library of 03 Courses
64. Trading Operation Controls	Library of 04 Courses
65. Economics	Library of 16 Courses
66. Estate Planning	Library of 04 Courses
67. Global Economic Crisis - Liquidity Management	Library of 07 Courses
68. Brokerage Operations	Library of 01 Course
69. Risk Analysis	Library of 05 Courses
* CTM: Corporate Treasury Management	
* BBM: Bank Branch Management	

Certification Tutorials

1. ePRM Coach	Library of 72 Courses
2. Associate ePRM Coach	Library of 35 Courses
3. eFRM Coach for FRM Part I Exam	Library of 37 Courses
4. eCoach for the CFA® Level I Program	Library of 76 Courses

Upcoming Products

KESDEE has the required technology platform to respond to clients training requirements in the banking and financial services industry. We offer several solutions, each developed with the guidance of creditable experts. Given below are few of the forthcoming products:

- Agricultural Finance




GFTT

Global Financial Training and Technology

5280 Carroll Canyon Road, Suite 220, San Diego; CA 92121, U.S.A

 +1 858-558-8118

 +1 858-558-8448



Info@kesdee.com,
gfttinfo@kesdee.com



www.kesdee.com,
www.gftt.com