

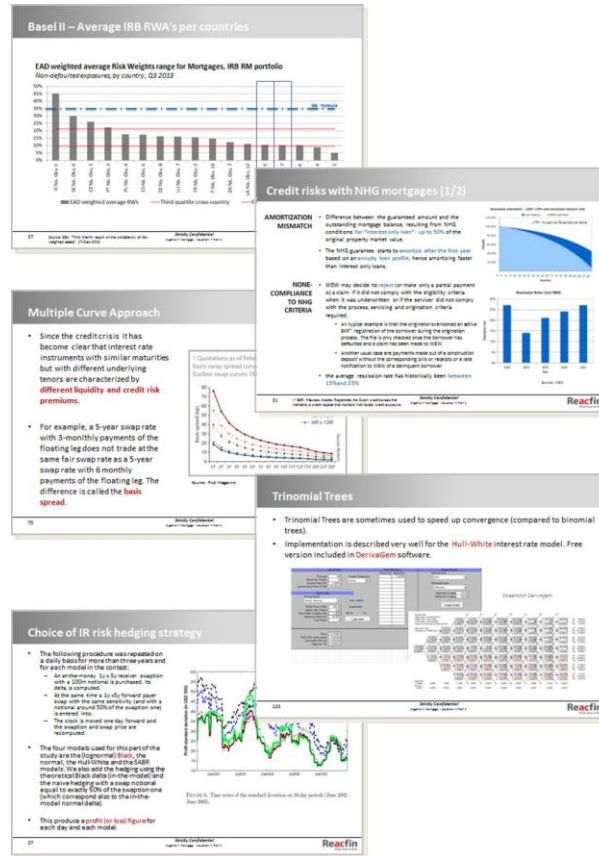
VALUATION OF RETAIL MORTGAGES & PRACTICES IN EUROPE

Context & Goals

- European Retail bank group
- Active in several European markets
- Aiming at coordinating its valuation techniques across the different regions
- Need to assess the impact of local specifications and new regulations
- New recruits to be trained

Benefits

- Presentation workshop to the management, Finance, ALM & risk management
- Case studies and hands-on practical exercises in different workshops
- Organized in different session tailored for varied audience



Agenda

- Introduction: An overview of the European mortgage market
- Description and typology of the product and its specificities in the different regional market
- Valuation of Mortgages
 - Cash Flow projection techniques
 - Determining the relevant discount rate
 - Valuation of explicit embedded options (Caps, Floors, Global Floors, variable maturities)
 - Valuation of prepayment options and other implicit options (Choice option, Investment mortgages, etc.)
 - FTP implications
 - Modeling approaches of insurers
- Valuation practices in Europe: differences per markets
- Consequences for RMBS market

Deliverables

- Onsite presentation and interactive workshops with hands-on exercises in Excel & R
- Clear documentation
- Follow-up time for Q&A's for several weeks after the workshops