# Liquidity Risk Oversight and Exposure Monitoring

The employee is required to review, monitor and analyze the Bank’s Risk Data to ensure the Bank’s liquidity position and risk exposures align with the risk appetite, data attributes are in compliance with Fed instructions, data mapping and collection process is valid and data elements have been reconciled across systems. The results of this complex review process will affect the Bank’s regulatory report directly. This requires the employee to have thorough academic understanding of database structure, plus a specialized theoretical knowledge of data analysis and modelling necessary to perform such duties.

The employee must be able to analyze and assess the Bank’s funding structure, risk profile, complexity and activities to provide insight and commentary on the liquidity risk exposure and management. Such work requires the employee to analysis and validate data of the Bank’s liquidity portfolio from internal database, build up methodology to perform statistical oriented risk analysis and visualize the data to identify, measure, monitor and track liquidity risk exposure and analyzing future trends.

The employee must be able to analyze risk data intelligently and use it to build the quantitative methodologies required to derive the exposure of the liquidity portfolio. Based on the results, the employee derived, he is required to formulate a dashboard to address the Bank’s liquidity portfolio risk status

# Liquidity Behavior Modelling and Liquidity Position Forecast Enhancement

The employee is required to establish cash segmentation model and perform customer behavior analysis to enhance the Bank’s asset liability and funding management to forecast the future liquidity positions and funding structures. This requires the employee to have thorough academic understanding of analytic framework and methods, plus a specialized theoretical knowledge of statistical models necessary to perform such duties.

The employee must be able to analyze and assess the Bank’s current deposit operational level, runoff and sedimentation, term deposit rollover and early remediation behaviors, loan prepayment and off-balance-sheet facilities contingent withdraw risk based on internal historical data, market dynamic data and industry benchmark. Such work requires the employee to analysis and model customer behavior by leveraging industry practice statistic approach including peak and valleys analysis, volatility analysis, linear/logistic regression model, time series model and replicating portfolio etc.

The modeling typically requires skills from spreadsheet analysis to application of advanced modelling tools such as SQL, VBA and Bloomberg. Because the employee will be exposed to a large amount of financial data, specialized quantitative knowledge in statistics and data analytics is required to perform these complex and sophisticated analytical responsivities.

# Liquidity Model Validation - Liquidity Stress Testing

The employee is required to validate, analyze and provide recommendations on the Bank’s Liquidity Stress Testing model to ensure the model is valid and fit-for-purpose, stress scenarios are sufficient and in compliance with EPS requirement, and various assumptions are conceptually sound and consistent across scenarios, products/accounts and planning horizon. The results of this complex review process will affect the Branch’s safely and soundness liquidity risk management practice directly. This requires the employee to have thorough academic understanding of scenarios analysis, plus a specialized theoretical knowledge of financial model design necessary to perform such duties.

The employee must be able to measure and assess impact of sever scenarios on the Bank’s liquidity position and the ability to meet payment obligations. Such work requires the employee to reconcile model data input from different database and system, review and analysis model scenarios and assumptions and validate the model performance by industry benchmarks. The employee must be able to validate Liquidity Stress Testing model by reviewing the projected impact based on “what if” scenarios on the Bank’s liquidity position to identify source of sources of potential liquidity strain, ensure liquidity risk exposures remain in accordance with the established risk appetite and analyze any possible impact of future stresses on cash flows, liquidity position, profitability and solvency.

Based on the validation results, the employee reviewed, he is required to formulated recommendation to enhance the Bank’s liquidity management practices.

# Liquidity Report Review - Cash Flow Projection

The employee is required to review, analyze and enhance the Bank’s Cash Flow Projection framework to ensure the projection is valid and accurate, forecast assumption is consisted across products, services and key clients and the approach and rational of historical data analysis to support the cash flow forecast is reasonable. The results of this complex review process will affect the Branch’s s safely and soundness liquidity management practice directly. This requires the employee to have thorough academic understanding of database structure, plus a specialized theoretical knowledge of data analysis and modelling necessary to perform such duties.

The employee must be able to analyze and assess the Bank’s data source and inputs, cash flow calculation engine including contractual and behavioral projection, liquidity funding gap to measure of the Bank’s liquidity risk exposures. Such work requires the employee to review the contractual cash flow projection arising from maturities, intercompany transactions, new business funding renewals and customer options. The employee needs to analyze and validate assumption regarding the future behaviors of assets, liability and off-balance exposures. In addition, the employee is responsible for identifies and quantifies discrete and cumulative cash-flow mismatches includes sufficient detail to reflect the risk profile, complexity, currency exposures and activities.

Based on the results, the employee reviewed, he is required to formulate a review report to enhance the Bank’s liquidity management practices.

# Intraday Liquidity Monitoring and Buffer Management

The employee is required to monitor and measure intraday liquidity risk exposure to ensure enough intraday liquidity positions and relevant financing arrangements to meet the intraday payment demands against normal conditions and under stress scenarios. The results of this complex monitoring process will affect the Branch’s s safely and soundness liquidity management practice directly.

This requires the employee to have thorough academic understanding of payments, clearing and settlement process, plus a specialized theoretical knowledge of financial position and risk exposure measurement and projection necessary to perform such duties.

The employee must be able to analyze, identify and assess the Bank’s intraday funding gap including the sources and uses of intraday funds. Such work requires the employee to review, analysis and monitor the Bank’s settlement and payment funding activities, collateral pledged and unencumbered assets, (un)secured and (un)committed credit lines that can be converted into intraday liquidity. The employee needs to establish statistical models to set process for Net Debit Cap resolution from Fed based on potential intraday liquidity inflow and outflow gap.

In addition, the employee is responsible for monitoring high liquid assets and investment available to be pledged as collateral to ensure the Bank hold adequate liquidity buffer cushion to timely meet liquidity demands defined under the stress scenarios

Based on the results, the employee monitored, he is required to formulate a report to enhance the Bank’s liquidity management practices.