

Specification of Competency Standards for the Retail Banking

Unit of Competency

Credit Management > 3.3 Portfolio Management

Title	Manage the quality of the bank's credit assets, conduct regular analysis on credit assets portfolio and identify risk, if any
Code	107371L6
Range	Manage an optimal allocation of the bank's credit assets in order to balance between risks and profitability. This includes different kinds of assets in the bank's credit portfolio
Level	6
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Conduct research on future profitability of credit assets Be able to: <ul style="list-style-type: none"> • Conduct research on future economic development based on incomplete information in order to determine the risks and returns of the bank's credit assets • Evaluate the risks of credit assets possessed by the banks and compare the results with anticipated profitability to judge whether an optimal allocation is arrived 2. Formulate measures to optimize quality of credit assets portfolio Be able to: <ul style="list-style-type: none"> • Optimize allocation of regulatory required capital and business generating economic capital to ensure financial stability, maintain confidence of the public and protect customers • Manage the assets allocation of the bank to maximise quality and profitability of credit portfolio • Maintain a diversified portfolio of risk assets by helping business units to minimize risks exposed to the bank • Formulate measures to protect the bank's interest margins and profits from the influence of movements in market interest rates and foreign currency exchange rates 3. Ensure compliance with statutory requirements Be able to: <ul style="list-style-type: none"> • Ensure compliance with statutory requirements by setting appropriate risks parameters and prudential limits
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Allocation of credit assets of the bank so that it is able to balance between risks and profitability. The decision should be supported by drawing conclusion from incomplete information
Remark	