

Specification of Competency Standards for the Retail Banking

**Unit of Competency**

**Credit Management > 3.3 Portfolio Management**

Title	Manage and evaluate the risks associated with the credit assets of the bank (e.g. securitization)
Code	107373L5
Range	Conduct risk management on the credit assets of the bank. This applies to different kinds of credit assets possessed by the bank
Level	5
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Assess value of each transaction of credit assets Be able to: <ul style="list-style-type: none"> <li>• Assess value of purchase or selling of credit portfolios</li> <li>• Conduct regular analysis on the credit assets portfolio and identify concentrated risks, if any</li> </ul> </li> <li>2. Transfer credit risks Be able to: <ul style="list-style-type: none"> <li>• Diversify risks into different uncorrelated or less correlated business</li> <li>• Hedge against credit risk by acquiring security, insurance, third party guarantee, etc.</li> </ul> </li> <li>3. Evaluate effectiveness of different approaches of transferring credit risks Be able to: <ul style="list-style-type: none"> <li>• Evaluate effectiveness of different approaches for transferring or hedging credit risk</li> <li>• Revise policies and improve processing based on results of evaluation on different approaches for transferring or hedging credit risks</li> </ul> </li> </ol>
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Design on measures to minimize credit risks exposed to the bank</li> </ul>
Remark	