

Risk Management and Audit > Risk Monitoring and Reporting

Title	Monitor risk level and analyze the results
Code	106690L5
Range	Monitoring of risk levels in different business and operation areas. This applies to different types of risks facing by the bank.
Level	5
Credit	4 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Evaluate different risk monitoring methods <p>Be able to:</p> <ul style="list-style-type: none"> • Evaluate different concepts and knowledge related to risk management in order to identify high risk areas which warrant attention • Have a thorough understanding in the limitations of different measurement/ monitoring methods in order to analyze data on risk level 2. Track and monitor identified risks <p>Be able to:</p> <ul style="list-style-type: none"> • Measure risks in different activities and products of a bank in accordance with measurement models / methods (e.g. stress tests, sensitivity analyses) adopted by the bank • Monitor the use of risk limits and conduct checking to ensure quantifiable risks are within the approved limits • Monitor closely the limit utilization for different activities to facilitate early identification of emerging risks 3. Analyze risk level <p>Be able to:</p> <ul style="list-style-type: none"> • Calculate the risks of each product and activity by evaluating and verifying data from different sources on the same exposures • Aggregate the risk levels of different activities and evaluate against the aggregate limits for the bank as a whole • Evaluate the data of risk measurements and look for occurrence of risks triggers and identify new risks • Report excessive exposures or policy exceptions to management and determine information to be provided for different levels in the bank to facilitate decision making
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Comprehensive analysis on the risk data to identify new risks and vulnerable areas. These should be based on evaluation of data collected from different sources across different business areas of the bank. • Reporting the excessive risk exposure and policy exceptions to management. These should be based on the evaluation of the current situation and identification of critical information to facilitate understanding.
Remark	