



PRESENTS
BASIC STATISTICS FOR RISK
MANAGEMENT



Background

Risk management has made great strides in recent years with the help of statistical tools. Without statistics, risk is wholly a matter of gut. Therefore, a risk manager needs have basic understanding of statistics for effectively measurement and management of risk faced by his/her bank. By focusing on the application of statistics to actual risk management problems, this program helps bridge the gap between basic statistics in theory and risk management in practice. Further, the programs helps the risk manager in building foundation for risk modelling.

Program Details

Date: & Time: 3rd May - 10th May, 2023 (7:00am-10:15am)

(No Classes on 5th & 6th May, 2023)

Duration: 12 sessions (1 session=1.5hrs)

Level: Senior/High Level Management

Venue: NBI Hall, Kathmandu

Program Details

Program Takeaways:

- Basic understanding of statistical tools for effective risk management. Also, the workshop serves as a solid foundation for risk modeling.

Target Audience:

- Risk Managers/Business Managers/Risk Champions

Program Delivery (Method)

- In-class Training/Workshop

Course Content:

Time	Details
Session 1/2	Basic Statistics <ul style="list-style-type: none">• Risk and Return• Frequency Distribution• Measures of Central Tendency• Measures of Dispersion• Histogram• Scatterplot• Descriptive Statistics• Exercises
Session 3	Hypothesis Testing <ul style="list-style-type: none">• Null vs. Alternate Hypothesis• One Tail vs. Two Tail Test• Type I and Type II Error• Application in Risk Management• Exercises
Session 4	Probability <ul style="list-style-type: none">• Probability Theory• Conditional Probability• Random Variable• Exercises

Program Details

Time	Details
Session 5	Distribution and Standard Deviation <ul style="list-style-type: none">• Distribution Function• Expectation and Standard Deviation• Exercises
Session 6	Probability Distribution <ul style="list-style-type: none">• Binominal Distribution• Poisson Distribution• Normal Distribution• Exercises
Session 7	Skewness and Kurtosis <ul style="list-style-type: none">• Measures of Skewness• Measures of Kurtosis• Exercises
Session 8	Portfolio Risk and Return <ul style="list-style-type: none">• Measures of Correlation• Portfolio Risk• Portfolio Return• Portfolio Diversification• Exercises
Session 9/10	Regression Models <ul style="list-style-type: none">• Single Variable Linear Regression• Fitting Curve• Multiple Regression• Logistic Regression• Interpretation of Regression Variables• Logit vs. Probit• Application in Risk Management• Exercises
Session 11/12	Application of Probability Distribution <ul style="list-style-type: none">• Credit Risk• Value-at-Risk• Option Valuation• Exercises

Facilitator's Profile



Lumb Dhoj Mahat

Chartered Accountant, Financial Adviser & Risk Management Specialist

LD Mahat possesses 30 years of diverse experience across several sectors covering a wide spectrum of assurance, business advisory and taxation disciplines. He possesses Masters degree in risk management from New York University, Stern Business School, and has undergone executive education at Harvard Business School and Insead Business School. Additionally, he has completed a Risk Modeling course at Wharton Business School.

LD Mahat was risk management specialist in several Asian Development Bank Funded projects. He has designed operational Risk Management System Software which is widely used by Nepalese Banking Industry. He has Provided risk management advisory services in various Nepalese corporate sectors. He has worked on large projects jointly with big 4 international accounting firms ~ PwC, Deloittee, Ernst & Young and KPMG in the field of Assurance, Diagnostic Review, Capacity Building, e-Government Procurement, e-Governance, Special Review, Investment Climate and IFRS Implementation. He is adjunct faculty in the School of Management of Asian Institute of Technology for the course "Risk Management" for the program "Professional Master's in Banking and Finance".