

CCRATM

CERTIFIED CREDIT RESEARCH ANALYST

Syllabus

Section 1

Module 1: Financial Statement Analysis

- Introduction: The Role of Financial Statements, Relevance of Notes
- Nuances of Accounting: Inventories, Depreciation, EPS, Intangible Assets,
- Ratio Analysis, Financial Modelling and Covenant Testing,
- Nuances of Leases, Hire Purchase, Pension Liabilities
- Classification of Investments in Financial Assets
- Red Flags, GAAP & IFRS – Similarities & Differences
- Case Studies

Module 2:

- Liquidity Analysis, Stress Testing
- Comparison: Sector versus Global, Liquidation Scenario and Event, M&A/LBO, Banker's Angle to Credit Analysis, Bank CMA Format and Credit Policy Formulation
- Preparation of Credit Proposal and Credit Appraisal, Capital Budgeting Methods,
- Loan/Bond, Behavioral Aspects of Credit officer, Pre-sanction Methodologies and Analysis, Know your Customer (KYC) requirements
- ESG Analysis for Loans/Bonds
- Case studies

Module 3:

- Loan documentation, Covenants analysis and Trends
- Loan/Bond Pricing, Spreads and Curves,
- Credit Default Swap (CDS)
- Seniority Ranking, Rich Cheap Analysis,
- Bond Valuation Measures including Swaps, OAS, YTW, YTM
- Risk Mitigation using derivatives like swaps, FRA, caps and floors, Forex Hedge,
- Case studies

Section 2

Module 1: Credit Rating – Internal and External

- Basics of Credit Rating
- Credit Risk Management
- 5C Credit Model, Analytical Framework For Credit Analysis, Industry Risk, Business Risk, Financial Risk
- Dealing With the Intricacies of Credit Rating,
- Management Risk Project Risk,
- Ratings Methodology For Manufacturing Companies,
- Ratings For Financial Institutions And Banks, Sovereign Ratings, Internal Rating models (Basel)
- Case studies

Module 2: Credit Strategy and Portfolio Management

- Understanding Yield Curves
- Trading on Interest Rate Risks
- Understanding Credit Spreads, Trading on Credit Spreads,
- Other Concepts on Credit Risk
- Predicting the Market,
- Introduction to Distressed Debt
- Understanding Systemic Risk
- Credit Analysis in a Multi Asset Class portfolio,
- Trading Strategies for Emerging Markets
- Case studies

Module 3: Credit Monitoring, NPA Management, Enhancement and Securitization

- Credit Monitoring and Identification of Early Warning Signals
- Credit Enhancement and Structures
- Rating of Asset Backed and Mortgage Backed Securitization Transactions
- Stressed Asset Management – Warning signs, Process and Monitoring for Recovery, CDR Mechanism, Pricing/ valuation of NPA's and Asset backed/Mortgage backed Securities
- Case studies

Module 4: Credit Risk Models and Regulations

- CRA Regulations and Debt Guidelines
- Credit Risk Models & Miscellaneous including interest rate Regression/Time series modeling, Merton and other Models
- Case studies

Module 5: Understanding and analysis of Corporate Banking Facilities and other financing forms

- Understanding Types of Corporate Banking Facilities
- Assessment of Working Capital Finance, Analyze Treasuries and other corporate papers
- Nuances of Credit Analysis from NBFC Perspective, Private Banking perspective, ARC Perspective
- Priority Sector/Agri Lending - Analysis and Peculiarities, Analysis for Loan against property, Analysis for Loan against Securities, Other Common Financing structures, Consortium lending, Green bonds
- Case studies

Last Updated on: 03 Oct. 2019