

Test terms DSI Advice Treasury Deficiency

1.

The candidate can indicate which treasury products are covered by MiFIDII and can describe the factors that determine the level of complexity of financial instruments.

2.

The candidate can explain to the client how the pricing of the financial instruments offered by the bank is established and understands the importance of periodic revaluation of financial instruments used by customers or services to client profiles.

3.

The candidate can calculate the CVA of an interest rate swap

4.

The candidate can indicate to customers the cost structure that the bank uses for its services and products

5.

The candidate knows the definition of 'recommendation' in MIFID2

6.

The candidate can distinguish between the service concepts 'execution only', 'advice' and 'management'

7.

The candidate is able to determine whether the information collected from the client is sufficient to tailor the bank's services to the customer's needs and risk profile.

8.

The candidate can explain why a given advice is in line with the objectives and the risk profile of the client.

9.

The candidate can explain the risks associated with the advice during the term of advised financial instruments or products.

10.

The candidate can apply the standard rules regarding customer classification from MiFID 2

11. The candidate can make a clear distinction between his obligations for professional clients on the one hand and non-professional clients on the other.

12.

The candidates can make a distinction between the obligation to provide information, the duty to warn, the duty to refuse and the duty to investigate.

13.

The candidate understands the importance of and its role in the periodic reassessment of the advice during the contract term

14.

The candidate knows the warning signs that indicate when the client's risk profile changes, such as balance sheet ratios, profitability ratios and cash flow ratios.

15.

The candidate can calculate the value of an FX forward / can calculate the value of an Interest rate swap.

16.

The candidate knows the most important elements of behavioural finance and understands that the client is subject to selective perception in his image of financial markets, so that decision-making is not merely rational.

16

The candidate knows what a yield curve is, can indicate the shape of a yield curve and can roughly calculate an implied forward yield

17.

The candidate knows the submarkets and broadly understands how financial markets work. The candidate can interpret the influence of economic data and (geo)political events on financial markets and on the value of commonly used financial instruments and products.

18.

The candidate can explain in general terms how the monetary policy pursued by central banks impacts the short- and long-term interest rates and exchange rates.

19.

The candidate knows the characteristics of the main interest rate benchmarks (EONIA, €STER and SOFR) and can explain in general terms why benchmark reforms have been implemented and the impact of this regulation on financial firms and clients.

20.

The candidate can explain any changes in the market value to the client.

21.

The candidate can explain in general terms the impact of climate risks on financial products.

22.

The candidate knows the current regulations and guidelines with regard to market abuse and anti-money laundering measures, knows the procedures to make possible situations of market abuse or money laundering within the organization known and is familiar with the scope of the sanctions list and knows the operation of segregation of functions between sales, trading and the research desk and can apply the concept of Chinese walls in this context.

23.

The candidate can describe how to act, when in doubt about the integrity of the client

24.

The candidate knows the content of the Banking Code, knows the relevance and working of codes of conduct and knows the relevance and working of FATCA and the Dodd Frank Act

25.

The candidate knows in general terms the content of the European Benchmark Regulation

Art. 26.

The candidate can describe in general terms the impact of the Basel regulations on derivatives

27.

The candidate knows the content of standard documentation and can provide the client with insight into standard documentation that is representative of financial instruments generally used by clients

28.

The candidate knows the guidelines for communication regarding the order execution policy of the bank where he/she works and knows the principles of the best execution rules in MiFID

29.

The candidate knows in general terms the implications of EMIR for the services offered by the bank

30.

The candidate knows the main rules of the commonly reporting methods for derivatives, such as IFRS and USGAAP.

31.

The candidate can describe the pillars of the treasury policy and cash management and understands the importance of client risk coverage.

32.

The candidate can describe which risks are managed in the treasury of companies.
The candidate knows which factors in general determine the interest rate mismatch, the liquidity mismatch and the currency mismatch of companies, pension funds and banks and