### Critical Work Functions

#### Maintain market and liquidity risk management policies and frameworks
- Define and enforce market risk and liquidity risk management policies and governance frameworks
- Ensure alignment between market and liquidity risk management policies, frameworks and activities with the organisation's overall risk management and business strategies
- Ensure alignment between treasury strategies and market and liquidity risk management policies
- Manage internal and/or external auditors, senior management and other market professionals on market risk and liquidity risk-related matters
- Communicate business requirements to Information Technology (IT) department to increase the efficiency of systems used to monitor and manage market and liquidity risks
- Drive market and liquidity risk literacy and awareness of risk management needs in the organisation

#### Manage risk appetite and risk controls
- Utilise valuation modelling and analysis of market and liquidity risks to guide key decision making activities
- Collaborate with senior management to establish the organisation's market risk and liquidity risk limits
- Develop changes and improvements that aid the efficiency and/or effectiveness of risk control and liquidity gap closure activities
- Ensure organisation's ongoing adherence to market risk and liquidity risk management requirements and limits
- Review and approve strategies and methodologies to mitigate potential market and liquidity risks which may exceed the organisation's risk appetite
- Direct improvements to risk controls and risk monitoring activities to increase efficiency and accuracy
- Adjust the organisation's strategies, processes or policies in response to new legislation to manage the organisation's risk exposure

#### Monitor and identify market and financial risks
- Develop strategies and action plans to address identified high risk scenarios or manage emerging risk potential.
- Communicate risk positions to senior management and board members based on market and liquidity context to aid decision making
- Challenge treasury functions on portfolios held based on the organisation's risk appetite
- Conduct quality reviews and validation of scenario analysis and stress testing activities
- Develop risk mitigation strategies that reflect extreme market events identified though scenario analysis
- Provide recommendations for risk management to senior management based on insights derived from valuation modelling and analytics activities
- Devise risk mitigation strategies based on findings from scenario analysis and stress testing

#### Develop risk mitigation and consequence management activities
- Guide investigations into market risk and liquidity risk breach incidents
- Review success measures of market and liquidity risk management activities to determine adequacy of coverage
- Review and endorse decisions made during post-submission or benchmark submissions checks
- Provide recommendations for the approval of new products based on analyses of identified market risks and liquidity risks
- Analyse financial forecast findings and risk positions for products and provide recommendations for action

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**SKILLS FRAMEWORK FOR FINANCIAL SERVICES**  
**SKILLS MAP - HEAD OF MARKET AND LIQUIDITY RISK MANAGEMENT**

<table>
<thead>
<tr>
<th>Critical Work Functions</th>
<th>Key Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain market and liquidity risk management policies and frameworks</td>
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</tr>
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</tr>
</tbody>
</table>

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Review and challenge the organisation's position on market and liquidity exposure based on known risk management thresholds.

Liaise with regulators and external bodies to provide regular reports of market and liquidity risk management positions.

For a list of Training Programmes available for the Financial Services sector, please visit: www.skillsfuture.sg/skills-framework/financial-services

The information contained in this document serves as a guide.