Hedge Fund Risk Management Fundamentals Training Course

Professional Development Training Course Outline

Category	Risk Management	**Duration**	5 Days
Base Fee	$1,500 USD	**Delivery Mode**	Online / On-site Hybrid

Course Introduction

The modern financial landscape is defined by volatility, interconnectedness, and rapid technological transformation, making sophisticated Hedge Fund Risk Management a critical discipline. Hedge funds, utilizing complex strategies like directional trading, arbitrage, and global macro, are inherently exposed to unique and magnified risks that necessitate a robust, enterprise-wide framework. Hedge Fund Risk Management Fundamentals Training Course is meticulously designed to provide participants with the foundational knowledge and advanced analytical tools required to measure, monitor, and mitigate these risks effectively. Mastering the fundamentals of Market Risk, Credit Risk, Liquidity Risk, and the rising threats of Operational Resilience and Cybersecurity is no longer a competitive advantage, but a necessity for fund stability and regulatory compliance.

This intensive program will go beyond theoretical concepts to focus on **real-world application** of quantitative techniques, including **Value-at-Risk (VaR)**, **Expected Shortfall (ES)**, and **stress testing**, within the context of specific hedge fund strategies. By emphasizing the integration of **data analytics**, **ESG factors**, and **FinTech solutions** into the risk infrastructure, we prepare participants to navigate the evolving demands of institutional investors and global regulators. Successful completion of this course will equip attendees with a **holistic risk perspective** that can be immediately applied to enhance **portfolio construction**, optimize **capital allocation**, and ensure the **long-term alpha generation** and **fiduciary responsibility** of a modern hedge fund.

Programme Curriculum

Hedge Fund Risk Management Fundamentals Training Course

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Course Duration

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Course Objectives

1. Systematically define and differentiate the key types of Hedge Fund Risk, including Market, Credit, Liquidity, and Operational Risk.
2. Apply advanced Quantitative Risk Measures such as Value-at-Risk (VaR), Conditional VaR (Expected Shortfall), and Maximum Drawdown to varied fund strategies.
3. Design and execute effective Stress Testing and Scenario Analysis programs to assess portfolio resilience under tail risk and extreme market events.
4. Analyze the Structural Risks inherent in different hedge fund legal frameworks, fee structures, and master-feeder arrangements.
5. Evaluate and integrate ESG (Environmental, Social, Governance) factors and Climate Risk into a comprehensive fund risk framework.
6. Understand and manage the risks associated with Leverage and its impact on fund stability and margin calls.
7. Implement best practices for Operational Resilience and mitigation of Cybersecurity and Technology Risk within a hedge fund environment.
8. Assess the unique Liquidity Risk profiles of various alternative assets and design appropriate gating and redemption policies.
9. Master the principles of Counterparty Credit Risk (CCR) and the use of Derivatives (Swaps, Futures, Options) for Hedging and risk transfer.
10. Navigate the complex landscape of Regulatory Compliance, including key frameworks like AIFMD, Dodd-Frank, and local regulations.
11. Develop a robust Risk Governance structure, defining roles and responsibilities from the Chief Risk Officer (CRO) to the Board.
12. Utilize Big Data Analytics and Machine Learning tools for dynamic risk monitoring and early warning signal detection.
13. Formulate and optimize Risk-Adjusted Performance Metrics for investor reporting and capital allocation.

Target Audience

1. Junior & Mid-Level Risk Analysts/Managers
2. Investment Professionals.
3. Operations and Back-Office Staff.
4. Compliance and Legal Officers.
5. Internal and External Auditors.
6. Prime Brokerage and Custody Professionals.
7. Institutional Investors (LPs) and Consultants.
8. Regulators.

Course Modules

Module 1: The Hedge Fund Risk Ecosystem

- Hedge Fund Strategy and Risk Nexus.
- Risk Governance and Culture.
- Regulatory Framework Overview.
- Defining forward-looking metrics for risk monitoring.
- Case Study: Long-Term Capital Management (LTCM).

Module 2: Advanced Market Risk Measurement

- Value-at-Risk (VaR) Methodologies.
- Understanding tail risk and its significance for high-leverage funds.
- Stress Testing and Backtesting.
- Multi-Factor Risk Models.
- Case Study: The 2008 Global Financial Crisis.

Module 3: Credit and Counterparty Risk

- Sovereign and Corporate Credit Risk.
- Counterparty Credit Risk (CCR) in OTC Derivatives.
- The Role of Central Clearing
- Credit Value Adjustment (CVA) and Debt Value Adjustment (DVA).
- Case Study: Archegos Capital Management Default

Module 4: Liquidity and Funding Risk

- Asset and Funding Liquidity.
- Liquidity Risk Metrics
- Designing Redemption Gates and Side Pockets.
- Financing and Collateral Management.
- Case Study: Madoff Investment Scandal.

Module 5: Operational Risk and Resilience

- Definition and Classification of Operational Risk.
- Risk Control Self-Assessment (RCSA) and Loss Data Collection.
- Cybersecurity and Data Risk Management.
- Outsourcing and Third-Party Risk.
- Case Study: Notional $44 Billion Trading Error.

Module 6: Regulatory and ESG Risk Integration

- Regulatory Risk and Reporting.
- Compliance Infrastructure.
- ESG Integration and Sustainable Finance.
- Tackling Geopolitical Risk.
- Case Study: German Cum/Ex Scandal.

Module 7: Portfolio Construction and Risk Budgeting

- Risk Budgeting Frameworks.
- Performance Attribution and Risk-Adjusted Returns.
- Optimizing Portfolio Diversification.
- The Role of Derivatives in Hedging.
- Case Study: The "Quant Quake" of 2007.

Module 8: FinTech, AI, and Future Risk Trends

- Digital Transformation in Risk.
- Artificial Intelligence (AI) in Risk Analytics.
- Blockchain and Digital Assets Risk.
- Future of Regulatory Technology.
- Case Study: DAO Hack and DeFi Contagion.

Training Methodology

This course employs a participatory and hands-on approach to ensure practical learning, including:

- Interactive lectures and presentations.
- Group discussions and brainstorming sessions.
- Hands-on exercises using real-world datasets.
- Role-playing and scenario-based simulations.
- Analysis of case studies to bridge theory and practice.
- Peer-to-peer learning and networking.
- Expert-led Q&A sessions.
- Continuous feedback and personalized guidance.

Register as a group from 3 participants for a Discount

Send us an email: info@fineskilltrainingcenter.org or call +254769199797

Certification

Upon successful completion of this training, participants will be issued with a globally- recognized certificate.

Tailor-Made Course

We also offer tailor-made courses based on your needs.

Key Notes

a. The participant must be conversant with English.

b. Upon completion of training the participant will be issued with an Authorized Training Certificate

c. Course duration is flexible and the contents can be modified to fit any number of days.

d. The course fee includes facilitation training materials, 2 coffee breaks, buffet lunch and A Certificate upon successful completion of Training.

e. One-year post-training support Consultation and Coaching provided after the course.

f. Payment should be done at least a week before commence of the training, to Fineskill Training Center account, as indicated in the invoice so as to enable us prepare better for you.

Upcoming Scheduled Sessions

Start Date	End Date	Location	Price
23 Nov 2026	27 Nov 2026	Online	$1,000
23 Nov 2026	27 Nov 2026	Physical	$1,500
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$3,000
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$4,500
23 Nov 2026	27 Nov 2026	Physical	$6,000
23 Nov 2026	27 Nov 2026	Physical	$6,000

Ready to enroll or request a customized program? Book online or contact us:

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