

Market and liquidity risk analyst

Skills Framework track	Risk, compliance and legal	Job function	Risk management	Job family	Market and liquidity risk
Sub-sectors	Retail banking, corporate banking, investment banking, private banking and wealth management	Expected augmentation by Gen AI	Do more and do new: Gen AI can automate the production of risk reports and presentations, streamline regulatory reporting, and enhance the identification of discrepancies in risk management policies. Gen AI tools can also optimize scenario analysis, stress test activities, and monitor risk indicators and compliance limits; outputs from Gen AI tools can also be used directly by the Market and Liquidity Risk Manager		





Key tasks that can benefit from Gen AI

Critical work functions	Key tasks
Develop risk mitigation and consequence management activities	Produce reports and/or presentations that outline risk-related market and financial forecast findings
	Collate documentation and data for regulatory reporting on market and liquidity risk management activities
Maintain market and liquidity risk management policies and frameworks	Identify possible discrepancies between the organization's market and liquidity risk management policies, frameworks, and activities with regulatory requirements
	Prepare guidelines and training materials on market and liquidity risk policies, governance frameworks, and operational procedures
	Gather data required for drafting responses to any queries from internal and/or external auditors, senior management, and other market professionals
Monitor and identify market and financial risks	Monitor key market and liquidity risk indicators for the organization's financial products, portfolios, and services
	Analyze valuation modeling and analytics findings to identify patterns and trends related to potential risks
	Source for information on treasury portfolios and ensure documentation is updated for reporting
	Conduct scenario analysis and stress-testing activities to identify the organization's market and liquidity risk exposure
	Prepare risk analysis reports to communicate findings of scenario analysis and stress-testing activities
	Identify plausible extreme market events as potential scenarios that may impact market and liquidity risks
Manage risk appetite and risk controls	Conduct analysis on identified market events and developments that may impact the organization's risk positions
	Keep abreast of new or changed legislation that may impact the organization's risk exposure
	Monitor market risk and liquidity risk limits for potential breaches or irregular activities
	Monitor systems and processes for validity of risk modeling outputs
	Monitor compliance to market risk and liquidity risk management requirements and limits
	Identify and report the organization's current and potential market and liquidity risks that may exceed the organization's risk appetite

1. Transferrable skills with an increase in one level of proficiency is considered easier to acquire than transferable skills with multiple levels of increase in proficiency, followed by net new additional skills. Depending on job redesign for the financial institution, the financial institution will have to pick select skills to reskill employees on, via a combination of on-the-job training and existing courses.
2. Skills adjacency score.

Source: SkillsFuture Skills Framework

Proficiency level

-  New Gen AI skills
-  Transferrable skills at the same proficiency level
-  New skills
-  Transferrable skills at a higher proficiency level¹

New Gen AI skills

Prompt design	2
Gen AI principles and applications	2
Ethical and responsible Gen AI Adoption	2

Additional skills required for potential redesigned role

Role 1: Operational risk assistant (adj ² . Score: 0.63)					
Ethical culture	3	Risk and compliance reporting	3	Operational risk management	2
Business risk assessment	3	Sustainability risk management	3	Climate change management	3
Data collection and analysis	3	Business continuity planning	2		
Role 2: Credit risk analyst (adj. Score: 0.57)					
Ethical culture	3	Risk and compliance reporting	3	Policy implementation and revision	3
Stakeholder management	3	Scenario planning and analysis	3	Credit risk management	3
Business risk assessment	3	Sustainability risk management	3	Credit assessment	3
Data collection and analysis	3	Climate change management	3	Non-financial-industry sustainability developments	3
Risk analytics	3	Data analytics and computational modeling	3		

DO MORE AND DO NEW