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KESDEE offers eCoaches, the web-based Tutorials for Certification Exams in Risk Management and Financial Analysis. These e-Coaches are useful not only for those pursuing certification but also for everyone as a **valuable reference tool and benchmark of Risk Management and Financial Analysis competency as per Global Certification Standards**. KESDEE offers the following online tutorials -

ePRM Coach, for the Professional Risk Manager certification exam conducted by PRMIA

Associate ePRM Coach, for the Associate PRM exam conducted by PRMIA

eFRM Coach, for the Financial Risk Manager certification exam conducted by GARP

e-Coach for the CFA® Level I Exam, conducted by the CFA Institute

e-Coach for CFA® Institute Investment Foundations™ Certificate Exam, Conducted by CFA Institute

ePRM Coach: A Library of 71 courses

ePRM Coach: Exam I - A Library of 24 courses

ePRM Coach: Exam II - A Library of 8 courses

ePRM Coach: Exam III - A Library of 22 courses

ePRM Coach: Exam IV - A Library of 17 courses

Online Tutorial for Professional Risk Manager (PRM™) certification exam, conducted by Professional Risk Managers' International Association (PRMIA)

KESDEE has designed "ePRM Coach" to be a comprehensive online tutorial for the Professional Risk Manager (PRM) Exam. KESDEE's ePRM coach is designed in accordance with PRMIA's exam structure and the prescribed study guide. The ePRM Coach is equipped with the concepts and practices, and several user-friendly features

For more information on ePRM coach, please visit: <http://www.kesdee.com/prm/>

e-Coach for PRM Part I Exam (Library of 24 courses)

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Risk Lover

▶ If a person's utility of the expected value of a gamble is less than their expected utility from the gamble itself, they are said to be risk-loving. A convex Bernoulli utility function captures risk-loving behavior; for example, an exponential function. In other words, an agent that would play a game against the odds (like roulette) is a risk lover. The thrill of gambling would compensate their utility for the negative expected value of the game.

For our example, a risk-loving person whose Bernoulli utility function took the form $u(w) = w^2$ would have an expected utility over the gamble of: $0.5 * 10^2 + 0.5 * 20^2 = 250$,

▶ However, their utility of the expected value of the gamble is $15^2 = 225$.

Associate ePRM Coach: A Library of 35 courses

Online Tutorial for Associate Professional Risk Manager (Associate PRM®) Certification exam conducted by Professional Risk Managers' International Association (PRMIA)

KESDEE has designed Associate ePRM Coach to be a comprehensive online tutorial for the Associate Professional Risk Manager (Associate PRM) Certification Exam. KESDEE's Associate ePRM coach is designed in conformity with the PRMIA's prescribed syllabus for Associate PRM Program.

For more information on Associate ePRM coach, please visit: <http://kesdee.com/courselist.html#!224>

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Expected and Unexpected Loss

▶ In the risk management concepts, two terms that are often used are:

Expected loss
(or expected costs)


Unexpected loss
(or unexpected cost)

Click each button to view the details.

▶ To measure the amount of unexpected loss, a bank's Risk Manager and the risk analyst first identify the key factors that trigger the volatility (variability) in any outcome - like returns from the position or portfolio; and then use statistical analysis to calculate the probabilities of various outcomes (scenarios).

▶ The results from these statistical analyzes are then used to determine and define the extent, and potential cost, of any exposure.

▶ In normal market conditions, the behavior of risk factors is quite easily predicted, as it does not change significantly in the short and medium term and adheres to the statistical measure of risk. However, during the stressful times statistical measure may become meaningless and should be used with extreme caution.



eFRM Coach for FRM Part I Exam: A Library of 37 courses

eFRM Coach for FRM Part II Exam: A Library of 46 courses

Online Tutorial for Financial Risk Manager (FRM®) Part I & Part II certification exam, conducted by Global Association of Risk Professionals (GARP)

KESD@E has designed "eFRM Coach for FRM Part I & Part II Exam" to be a comprehensive online tutorial for the Financial Risk Manager. eFRM Coach for Part I & Part II Exam has every formula, definition, concept and application for all subjects covered in the FRM exam. The mock exams are modeled on the same lines as the final exam. Features include self assessment and immediate diagnostic results.

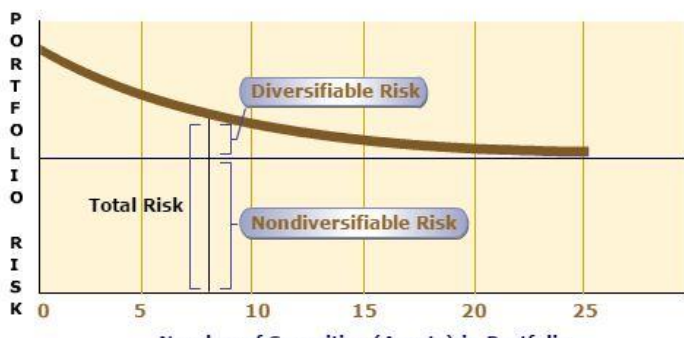
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Diversifiable Vs. Non-diversifiable Risk

▶ As can be seen from the diagram below, a portfolio of 20 - 30 stocks can achieve the same level of risk reduction that a portfolio of 300 stocks can achieve. This is because there are risks that arise at the micro-level or firm level or industry level.



Click each risk in the graph to view the details.

Online Tutorial for Chartered Financial Analyst (CFA®) Level I certification exam, conducted by CFA Institute

KESDEE has designed e-Coach for the CFA Level I exam in accordance with the Learning Outcome Statements of the CFA Institute. The e-Coach is equipped with the concepts, practices and several user-friendly features.

For more information on e-coach for the CFA Level I Exam, please visit: <http://www.kesdee.com/ecfa/>

Scale difference **Time difference**

Let's consider the following cash flows associated with projects A and B with difference in their initial outlay

Time period	A	B
C ₀	(\$10,000)	(\$15,000)
C ₁	\$12,000	\$17,800
NPV @ 10%	\$909	\$1,182
IRR	20%	19%

As per NPV rule project B ranks higher than A, whereas as per IRR rule project A dominates. Due to this contradiction, it is difficult to make choice between the two. Hence, preference should be given to the project B that adds higher value (\$1,182) to the shareholders wealth when compared with the corresponding project A's (\$909) wealth addition.

[Click each tab to view the details.](#)

e-Coach for CFA® Institute Investment Foundations™ Certificate Exam : A Library of 21 courses

The e-Coach for the CFA® Institute Investment Foundations™ Certificate Exam is a comprehensive online study guide for CFA® Institute Investment Foundations™ Certificate exam conducted by the CFA Institute.

The tutorials have been designed based on the CFA® Institute Investment Foundations™ Certificate exam structure and the latest learning outcome statements. The e-Coach consists of seven sections (topic areas) with 21 modules covering all the study sessions required for the CFA® Institute Investment Foundations™ Certificate exam.

For more information on e-Coach for the CFA® Institute Investment Foundations™ Certificate Exam, Please visit: <http://kesdee.com/courselist.html#!379>

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Annuity and Mortgage - Illustration

The following examples illustrate the concept of annuity and mortgage:

Annuity example**Mortgage example**

- ▶ A British personnel pays the an insurance company a sum of £20,000, and in turn the insurance company promises to payback £4,250 for the next five years and £4,810 in the sixth year. The interest rate offered is 8% on the annuity balance.
- ▶ Based on the periodic payments made by the insurance company, the manner in which the annuity balance reduces to zero is depicted below.

Year	Annuity balance (at the beginning of the year) (£)	Balance at the end of the year (before withdrawal) (£)	Withdrawal (Payment by insurance company) (£)
1	20,000.00	21,600.00	4,250
2	17,350.00	18,738.00	4,250
3	14,488.00	15,647.04	4,250
4	11,397.04	12,308.80	4,250
5	8,058.80	8,703.51	4,250
6	4,453.51	4,809.79	4,810
7	0 (approx.)		

Click each tab to view the details.

e-Learning Course Catalog

KESD@E's e-learning catalog consists of 750 accredited e-Learning courses on various topics in Banking, Finance, Accounting, Insurance and Risk Management. Key financial topics related to:

- Balance Sheet Management
- Core Financial Concepts
- Banking Regulations, Basel I & Basel II
- Derivatives
- Market Risk Management
- Credit Risk Management
- Operational Risk Management
- Structured Finance
- Insurance
- Operations and Compliance
- Global Financial Markets
- Corporate Treasury Management
- Finance & Accounting
- Financial Planning and Wealth Management
- International Trade Services
- Bank Branch Management
- Core Banking Concepts
- Global Economic Crisis - Liquidity Management

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