XVA: Credit, Funding and Capital Valuation Adjustments (The Wiley Finance Series)

Andrew Green
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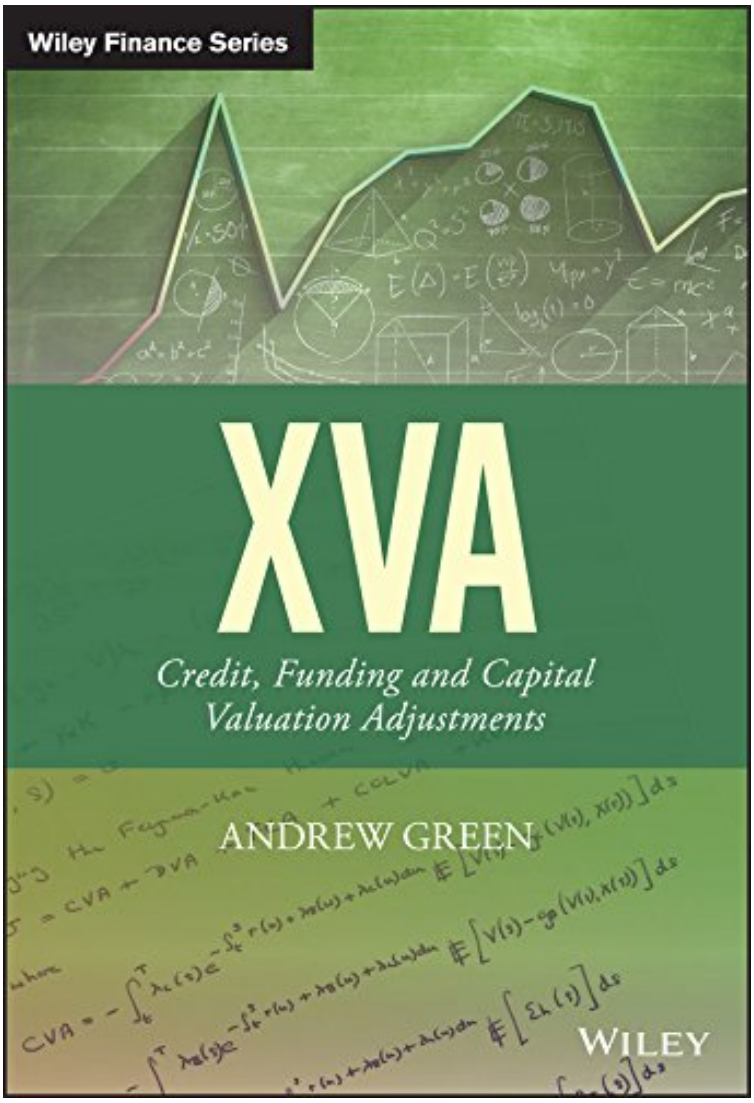

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Andrew Green : XVA: Credit, Funding and Capital Valuation Adjustments (The Wiley Finance Series) before purchasing it in order to gage whether or not it would be worth my time, and all praised XVA: Credit, Funding and Capital Valuation Adjustments (The Wiley Finance Series):

8 of 8 people found the following review helpful. A decent summary of the state-of-the-art as long as you know the material already.By selftaughtThis book is a decent summary of XVA. As is often the case with finance books, the mathematics are only superficially rigourous. Some symbols are introduced without being defined eg equation 3.9, there are enormous jumps eg. equation 3.11 to 3.12. In all the book feels like a summary of current practice, with the

benefit of 1) the topics being classified and put in context eg the difference between DVA and DVA2 is clearly explained 2) some attempt at having a unified mathematical notation across the XVAs 3) the various research papers are quoted eg. Trade level CVA allocation which allows the dubious maths to be overcome.I would say this is a useful summary if you already know the area and want a guide to put things into context. It is less useful at learning the mathematics or justifying the mathematical finance of the area.

Thorough, accessible coverage of the key issues in XVA XVA ndash; Credit, Funding and Capital Valuation Adjustmentsnbsp;provides specialists and non-specialists alike with an up-to-date and comprehensive treatment of Credit, Debit, Funding, Capital and Margin Valuation Adjustment (CVA, DVA, FVA, KVA and MVA), including modelling frameworks as well as broader IT engineering challenges. Written by an industry expert, this book navigates you through the complexities of XVA, discussing in detail the very latest developments in valuation adjustments including the impact of regulatory capital and margin requirements arising from CCPs and bilateral initial margin. The book presents a unified approach to modelling valuation adjustments including credit risk, funding and regulatory effects. The practical implementation of XVA models using Monte Carlo techniques is also central to the book. You'll also find thorough coverage of how XVA sensitivities can be accurately measured, the technological challenges presented by XVA, the use of grid computing on CPU and GPU platforms, the management of data, and how the regulatory framework introduced under Basel III presents massive implications for the finance industry. Explores how XVA models have developed in the aftermath of the credit crisis The only text to focus on the XVA adjustments rather than the broader topic of counterparty risk. Covers regulatory change since the credit crisis including Basel III and the impact regulation has had on the pricing of derivatives.nbsp; Covers the very latest valuation adjustments, KVA and MVA. The author is a regular speaker and trainer at industry events, including WBS training, Marcus Evans, ICBI, Infoline and RISK If you're a quantitative analyst, trader, banking manager, risk manager, finance and audit professional, academic or student looking to expand your knowledge of XVA, this book has you covered.

From the Inside FlapThe increased regulatory capital requirements introduced through Basel III have put highly critical focus on valuation and pricing of derivative contracts. XVA: Credit, Funding and Capital Valuation Adjustments provides detailed descriptions of a full range of models to calculate XVA valuation adjustments and provides the latest technical infrastructure needed to calculate XVA efficiently. This thorough treatment provides advanced coverage on Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA) to account for credit risk; Funding Valuation Adjustment (FVA) for the impact of funding costs associated with initial margin; Capital Valuation Adjustment (KVA) for the impact of Regulatory Capital and Tax Valuation Adjustment (TVA) for the impact of taxation on profits and losses. Then, it connects the dots between the theory, mathematical models and implementation of systems to perform the calculations accurately. The practical guidance in this valuable book makes navigating through the complexities of XVA adjustments easier and more rewarding. From simple analytic models to complex multi-asset class Monte Carlo engines, this complete resource is your one-stop solution for standing out from the competition by mastering this immensely critical aspect of finance today. The author's extensive experience as an XVA practitioner with a variety of banks offers an insightful perspective that enables you operate at sophisticated levels while: Properly including credit mitigants in CVA calculations to moderate counterparty risk Accounting for the ins and outs of the massive implications brought about by the regulatory framework introduced under Basel III Executing a unified approach that extends modelling framework for CVA, DVA and FVA to include KVA and MVA Overcoming the technological challenge of XVA calculations to measure XVA sensitivties accurately Calculation workflow and management of data volumes alongside model development Stay a step ahead of changes in derivative markets with XVA: Credit, Funding and Capital Valuation Adjustments.From the Back CoverPraise for XVA "In this book Andrew Green draws from his almost 15 years as a quantitative analyst focusing on XVA. Starting with CVA/DVA and moving on to FVA and finishing with KVA, Green covers the past, the present and the future of XVA. It is a must read for everyone interested in post crisis valuation of financial derivatives." mdash;MATS KJAER, Head of Quant XVA Analytics, Bloomberg LP, Risk Magazine Quant of the Year 2015 "The quantification of XVA has become a major problem and a cornerstone of OTC derivative valuation in recent years. This book is a comprehensive guide to XVA modelling, calculation and IT implementation from an industry expert with first-hand knowledge of the practical issues involved. The reader is taken though the underlying mathematics related to XVA calculations with reference to the impact of important aspects such as close-out, netting, collateral and regulatory requirements. A thorough discussion of XVA modelling approaches is also given, together with practical implementation details and a discussion of important numerical methods such as American Monte Carlo and AAD and the application of hardware optimisation such as the use of GPUs. The treatment of this highly complex subject is comprehensive, thorough and mathematically detailed but also pragmatic. This book deserves to become a standard text for anyone with an interest in XVA modelling and implementation." mdash;JON GREGORY, Author of The xVA Challenge: Counterparty Credit Risk, Funding, Collateral, and Capital and Central Counterparties: Mandatory Central Clearing and Initial Margin Requirements for OTC Derivatives Thorough, Accessible Coverage of the Key Issues in XVA XVA: Credit,

Funding and Capital Valuation Adjustments provides specialists and non-specialists alike with an up-to-date and comprehensive treatment of credit, debit, funding, capital and margin valuation adjustment (CVA, DVA, FVA, KVA and MVA), including modelling frameworks as well as broader IT engineering challenges. Written by an industry expert, this practical book discusses in detail the latest developments in valuation adjustments, including the impact of regulatory capital and margin requirements arising from CCPs and bilateral initial margin. If you're a quantitative analyst, trader, banking manager, risk manager, finance and audit professional, academic or student looking to expand your knowledge, XVA: Credit, Funding and Capital Valuation Adjustments is your toolbox for taking control of this critical topic.About the AuthorANDREW GREEN heads CVA/FVA Quantitative Research at Lloyds Banking Group. He leads a team of quantitative analysts and developers who are responsible for the design and implementation of models for derivative valuation adjustments. Andrew and his team also work extensively on the implication of regulatory change on derivatives. Andrew previously headed CVA Quantitative Research at Barclays Capital and during his career, has also worked on models for fixed income and equity derivative products as well as ALM. High performance computing is a central element of XVA model implementation and Andrew has extensive experience of the practical implementation of large scale Monte Carlo simulation models in IT systems. Andrew is a regular conference speaker and has co-authored a number of papers on various topics in XVA. He has a DPhil in Theoretical Physics and a BA in Physics from Oxford University, and Part III of the Mathematics Tripos from Cambridge University.