Andrew Cunningham

Bank Risk and Regulation

Andrew Cunningham has more than 30 years experience analysing and interpreting international financial markets, with a particular focus on bank performance and regulatory factors that drive bank behaviour. He is a Visiting Professor at the London Institute of Banking and Finance and one of the Institute's accredited trainers.

Andrew's experience covers both developed financial markets and emerging markets, and he has a detailed knowledge of Shari'ah-compliant ("Islamic") finance.

Andrew develops and updates his own material. Each course is tailored to the specific priorities of each client based on the brief provided. However, Andrew also has some 'Course Templates' that can be quickly rolled out with limited adjustments. Examples of such courses are given on page 3. Examples of Andrew's current and recent assignments include:

Advising Boards of Directors on the new risk landscape
Andrew lectures regularly on how the risks facing banks are changing, and how Boards of Directors should respond. He focuses in particular on the rise of 'non-model able' risks such as financial crime and cyber crime (which he is careful to distinguish), and environmental and social risks. However, he does not neglect financial risks, particularly in the light of the failures of SVB and Credit Suisse, and the impending conclusion of the Basel III project.

Training and advising Tunisian bank directors and Finance officials as part of an LIBF team
Andrew worked as part of a London Institute of Banking and Finance (LIBF) team to design and deliver a two month programme for Directors of banks in Tunisia and officials in Tunisia's Ministry of Finance and Capital Markets Regulator. Andrew prepared and delivered all his material in French. His main focus was on governance, trends in bank regulation, and internal controls, with a particular focus on how these areas are being affected by the Covid-19 pandemic. Andrew also prepared specialised seminars on Banks and Financial Crime and on Credit Rating Agencies, all in French. The course was delivered over Zoom.

Training staff in bank credit analysis
Andrew has designed and delivered a four-day Bank Analysis courses and a two-day Advanced Regulatory Capital courses. The four-day course enables analysts to understand the factors that determine whether a bank will be strong or weak over the long term. The course is heavily focussed on emerging market banks, and includes case studies related to the effects of currency devaluation, liquidity risk in micro-finance institutions, and excessive credit growth; but it also ensures that participants are up to date with latest international financial standards emanating from the Basel Committee and with contemporary supervisory trends (such as the new structure of financial crime supervision in Europe).

The two-day course provides detailed training on recent changes to banks' capital requirements, such as the development of Pillar 2 and MREL requirements in the EU, and provides cases studies related to bank resolution and recovery, with particular focus on understanding potential gaps between legislation/ regulations governing bank resolution and recovery, and how bond holders might be treated in practice.

Training staff at the European Investment Bank in Banking Best Practices
Andrew has designed and delivered a two-day course Banking Best Practices for risk management staff and to those working in internal audit. The course explains the re-regulation of banking systems since the global crisis, with details of new Basel III standards on capital and liquidity, and addresses new analytic issues which are coming to the front of the regulatory agenda, such as data governance, operational resilience, conduct and financial crime. The course (and those on bank credit analysis) can be delivered in person or over video.

Advising shareholders and directors of Armenian banks on mergers and acquisitions
As part of the Central Bank of Armenia's efforts to consolidate its banking system, Andrew met with shareholders and directors of several Armenian banks and provided advice on how to formulate strategies around mergers and acquisitions, and gave an update on how the thinking of bank regulators is changing in relation to dealing with weak or failing banks. He was subsequently asked to provide a second advisory session on tools and methodologies for bank resolution.

Advising Directors of an African bank on their Corporate Governance responsibilities.
Andrew was asked to develop and deliver a one-day course for Directors and C-suite managers of a large African bank, explaining current thinking on corporate governance and, in particular, the changing expectations from supervisors in respect of risk oversight and internal controls. The course also provided an overview of new financial standards that have been introduced through Basel III.

Career history

Andrew began his career as a journalist, writing about banking and finance in the Middle East. He then spent nine years with Moody's rating banks in emerging markets and then rating banks in Western Europe. In 2004, he moved to Cairo to establish and manage the operations of the Financial Services Volunteer Corps (FSVC), an NGO that works with financial regulators and banks to build efficient financial systems in emerging markets. He later moved to New York to run FSVC's entire Middle East operations. Since 2011 he has been living in London focussing on Bank Credit Risk, Financial Regulation, and Corporate Governance in both developed and emerging markets.

Legal Status and Contact Details

Andrew works through Darien Analytics Ltd, a UK-registered legal entity that he owns. Darien Analytics' Company Registration Number is 008840371. Its VAT number is 186362777.

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Examples of current course offerings

These templates can be (and frequently are) adjusted to suit clients' particular needs. Andrew is also able to develop course material that goes beyond the specific areas highlighted below.

Full outlines of the courses below can be provided on request.

Foundations of bank analysis

This two-day course identifies key analytic issues for bank analysts, including capital adequacy and liquidity, and approaches to credit, market and operational risk. Other issues include how to appraise a bank's operating environment, how to use external credit ratings, and the Basel III regulatory agenda.

Assessing banks' capital adequacy

This course runs over one or one-and-a-half days. It examines current international standards on bank capital, beginning with an assessment of the components of capital and then moving to consider the threats to capital, as expressed through risk-weightings. Particular emphasis is given to Pillar 2 capital, and supervisors' evolving expectations in this area. The course reviews Stress Testing and Recovery Planning through case studies. Finally, the issue of bank resolution through write-down of capital is addressed, again with reference to case studies.

Bank Resolution: New Regulations, new risks for investors.

This course runs over one or one-and-a-half days. It addresses the new political and regulatory agenda related to weak or failing banks, and how that agenda is being implemented in practice. Numerous case studies are presented to demonstrate how bank resolution has been addressed in both developed and emerging banking systems.

Banking 2030

This one day course examining how issues such as data governance, financial crime, and climate change will drive bank strategies and performance in the years ahead. The course will also address final implementation aspects of Basel III/Basel IV.

Corporate Governance: new agendas and new expectations

This course runs over one or two days. It can be addressed to Directors and senior managers of a bank, or to analysts judging the quality of a bank's Corporate Governance and whether it 'credit positive' or 'credit negative' within the wider constellation of analytics issues. When addressed to Directors and senior managers, the course examines the new governance agenda being implemented by regulators worldwide, and what supervisors now expect from Directors and senior managers as a result. When addressed to analysts, it examines how Governance can strengthen or weaken a bank, and the tools that analysts can use to from an opinion on the quality of a bank's Governance.

Islamic finance: engaging with the industry, understanding the risks

This course will not only enable participants to assess the risk profile of Islamic banks, but also to engage confidently and in an informed manner with Islamic financial professionals. Participants will gain a clear understanding of key Islamic banking terminology as well as the recent history of the Islamic finance movement and key factors driving its growth today. Participants will compare the risks faced by Islamic banks and by conventional banks and will be form opinions on the inherent strengths and weaknesses of Islamic banks