

Project	Financial Instruments: Macro Hedge Accounting
Topic	Education Session: Risk Management of Banks

Background of the education session

1. The objective of the macro hedge accounting project is to address risk management strategies in the context of open portfolios. As a first step, the focus is on the management of *interest rate risk* to develop general principles for a macro hedge accounting approach. Subsequently, the discussions will be extended to other risks and non-financial entities.
2. To support the deliberations the staff and board members continue to discuss risk management related to open portfolios (macro hedging) with preparers, users, auditors and industry organizations from various regions.
3. The purpose of this education session is to obtain information about different approaches applied in banking practice regarding the management of interest rate risk.
4. The Board will not be asked to make any decisions in this education session.
5. The following presentations will be held:
 - (a) Presentation of Toronto Dominion Bank Group to be presented by Tim Charron and Xihao Hu—**agenda paper 5A**.
 - (b) Presentation of the European Banking Federation (EBF) to be presented by Jean-Paul Caudal (French Banking Association), Suresh Chadda (Rabobank), Stéphane Denise (BNP Paribas), Giuseppe Loforese (Intensa Sanpaolo), Andreas Strauch (Commerzbank) and Tom Wise (HSBC)—**agenda paper 5B**.

This paper has been prepared by the technical staff of the IFRS Foundation for discussion at a public meeting of the IASB.

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The tentative decisions made by the IASB at its public meetings are reported in IASB *Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.