Advanced Financial Modeling and Valuation for Bankers Training Course



28 Dec 2026 - 01 Jan 2027

Boston

7500 € (Per Person)

Ref: #BI7681_175488

Course Introduction / Overview:

This intensive training course is designed to equip banking and finance professionals with the specialized skills required to build robust financial models and perform accurate valuations for financial institutions. Unlike standard corporate valuation, valuing banks presents unique challenges due to their complex regulatory frameworks, distinct financial statement structures, and the nature of their assets and liabilities. This program delves deep into these nuances, moving beyond generic theories to provide practical, applicable techniques. We will explore the methodologies championed by leading academics like Aswath Damodaran, whose work in "Investment Valuation" provides a foundational understanding of adapting valuation principles to unique sectors. Participants will learn to construct detailed 3-statement models for banks, forecast key performance drivers like Net Interest Margin (NIM) and provisions for credit losses, and apply appropriate valuation techniques such as the Dividend Discount Model (DDM) and Residual Income Valuation. BIG BEN Training Center has developed this course to bridge the gap between theoretical knowledge and the real-world demands of investment banking, equity research, and corporate finance within the banking sector, ensuring participants can confidently tackle complex valuation assignments.

Target Audience / This training course is suitable for:

- Investment Banking Analysts and Associates.
- Equity Research Analysts covering the financial services sector.
- Corporate Development and M&A Professionals within banks.
- Credit Analysts and Risk Management Professionals.
- Portfolio Managers and Asset Managers.
- Financial Controllers and FP&A professionals in banks.
- Banking Regulators and Financial Stability Professionals.
- Private Equity professionals focusing on financial services.
- Finance and Treasury department staff.

Target Sectors and Industries:

- Commercial Banking.
- Investment Banking.
- Asset Management and Wealth Management.
- Private Equity and Venture Capital.
- Insurance Companies.
- Credit Rating Agencies.
- Governmental financial institutions and Central Banks.
- Financial Technology (FinTech).
- Management Consulting firms with a focus on financial services.

Target Organizations Departments:

- Mergers & Acquisitions (M&A).
- Corporate Finance.
- Equity Research.
- Credit Risk Management.
- Treasury and Asset Liability Management (ALM).
- Financial Planning and Analysis (FP&A).
- Corporate Strategy and Development.
- Portfolio Management.
- Internal Audit and Compliance.

Course Offerings:

By the end of this course, the participants will have able to:

- Construct a detailed three-statement financial model for a commercial or investment bank from scratch.
- Analyze and forecast key banking-specific performance drivers, including net interest income, non-interest income, and loan loss provisions.
- Apply appropriate valuation methodologies for banks, including the Dividend Discount Model (DDM) and the Residual Income Model.
- Perform relative valuation using relevant multiples such as Price-to-Book (P/B), Price-to-Tangible Book Value (P/TBV), and Price-to-Earnings (P/E).
- Model and analyze the financial impact of Mergers and Acquisitions (M&A) in the banking sector, including accretion/dilution analysis.
- Understand and incorporate the impact of key regulations like Basel III/IV on a bank's capital structure and valuation.
- Develop sensitivity and scenario analyses to stress-test valuation assumptions and financial forecasts.
- Confidently interpret and critique bank valuation reports and financial models.

Course Methodology:

The training methodology at BIG BEN Training Center is designed for maximum engagement and practical skill acquisition. This course moves beyond passive lectures, immersing participants in a hands-on, interactive learning environment. The core of the program is built around real-world case studies of publicly traded banks, allowing participants to work with actual financial reports and deal scenarios. Each module combines expert-led instruction on theoretical concepts with intensive, practical Excel-based modeling exercises. Participants will build complex models step-by-step with guidance from the instructor, reinforcing learning through immediate application. Collaborative group work and breakout sessions are utilized to encourage peer-to-peer learning and simulate the team-based dynamics of professional finance environments. Continuous feedback is a cornerstone of our approach; instructors provide personalized guidance during modeling sessions and facilitate group discussions to deconstruct complex problems. The methodology ensures that participants not only understand the "what" and "why" of banking valuation but also master the "how," leaving the course with tangible skills and robust models they can adapt for their professional roles.

Course Agenda (Course Units):

Unit One: Foundations of Bank Financial Statement Analysis

- Understanding the unique structure of a bank's balance sheet and income statement.
- Key drivers of profitability and risk.
- Analyzing Net Interest Margin (NIM), efficiency ratio, and return on assets (ROA).
- Dissecting loan portfolios and credit quality metrics.
- Regulatory capital adequacy.
- Introduction to Basel III and IV frameworks.
- Building a historical 3-statement financial model for a bank.

Unit Two: Forecasting and Building a Full Bank Model

- Forecasting a bank's balance sheet, focusing on loans, deposits, and funding.
- Projecting the income statement, including interest and non-interest income.
- Modeling provisions for credit losses (PCL).
- Integrating the cash flow statement.
- Balancing the model and implementing debt and interest schedules.
- Best practices for creating flexible and error-free models.
- Scenario analysis for key drivers like interest rates and loan growth.

Unit Three: Intrinsic Valuation for Financial Institutions

- Limitations of traditional DCF for banks.
- Deep dive into the Dividend Discount Model (DDM).
- Estimating the cost of equity for a bank.
- Building a multi-stage DDM valuation model.
- Introduction to the Residual Income (RI) valuation model.
- Calculating residual income and continuing value.
- Comparing and contrasting DDM and RI valuation outputs.

Unit Four: Relative Valuation and Market-Based Approaches

- Selecting the appropriate peer group of comparable banks.
- Key banking valuation multiples.
- Calculating and applying Price-to-Earnings (P/E) and Price-to-Book Value (P/BV).
- Understanding Price-to-Tangible Book Value (P/TBV).
- Performing Comparable Company Analysis (CCA).
- Conducting Precedent Transaction Analysis (PTA) for bank M&A.
- Synthesizing results into a football field valuation summary.

Unit Five: Advanced Topics and M&A Modeling

- Modeling bank mergers and acquisitions.
- Building an accretion/dilution model for a bank deal.
- Analyzing the impact of purchase price allocation and goodwill.
- Introduction to stress testing and its impact on valuation.
- Modeling Asset Liability Management (ALM) concepts.
- Integrating regulatory constraints into long-term forecasts.
- Capstone Case Study.

FAQ:

Qualifications required for registering to this course?

There are no requirements.

How long is each daily session, and what is the total number of training hours for the course?

This training course spans five days, with daily sessions ranging between 4 to 5 hours, including breaks and interactive activities, bringing the total duration to 20 - 25 training hours.

Something to think about:

How might the rise of FinTech and digital-only banks fundamentally alter the traditional valuation multiples used for incumbent financial institutions?

What unique qualities does this course offer compared to other courses?

This course distinguishes itself by its singular and deep focus on the financial services industry, a sector where generic valuation methodologies often fail. While many courses teach financial modeling, they typically use non-financial corporates as examples, overlooking the critical nuances of bank valuation such as regulatory capital, interest rate sensitivity, and the unique nature of a bank's assets and liabilities. Our curriculum is built from the ground up specifically for banking professionals. We move beyond standard DCF analysis, which is ill-suited for banks, and instead master the more appropriate Dividend Discount and Residual Income models. The program emphasizes the practical impact of regulatory frameworks like Basel III/IV on a bank's intrinsic value, a topic often neglected in generalist courses. Furthermore, the training is intensely practical, centered on building complex, multi-statement models for real-world banks, not simplified theoretical examples. Participants leave not just with knowledge, but with tangible, robust Excel models and the confidence to apply these specialized skills directly to M&A, equity research, and corporate finance roles within the banking sector.