

BAI-Webinar

Theme:

Quantitative rating model and valuation of microfinance refinancing

Date:

February 4, 2021
11:00 am – 12:15 pm

In recent years, investors have shown an increasing interest in Impact Investing, especially under the aspect of sustainability. "Impact Investing" refers to investments that, in addition to generating a return, also have a measurable, positive impact on the environment and/or on society. A possible way of investing could be by refinancing microfinance institutions. The funds raised by a microfinance institution through refinancing are then used to grant microloans to small and medium-sized enterprises, predominantly in emerging markets. Management companies whose investment funds invest in the refinancing of microfinance institutions are faced with the challenge of determining an appropriate value for the refinancing. Such value is used to calculate the regular net asset value of the investment funds and can be derived from different methods and models. Generally, there is neither an active market for this type of asset nor an external assessment for the microfinance institutions' credit rating. An estimation of the credit rating must therefore be determined independently. The webinar will present several possibilities for determining a value. The focus will be on an internally developed rating procedure which allows calculating a microfinance institution's individual probability of default and on the valuation of the corresponding refinancing. In addition to determining an appropriate value for refinancing, the internal approach also enables the use of adequate risk management procedures.

AGENDA

Opening words

Frank Dornseifer, Managing Director, BAI

Quantitative rating model and valuation of microfinance refinancing

1. Problem & Objective
2. Quantitative credit rating
3. Valuation of refinancing instruments
4. Results & Impacts
5. Fund management perspective

Dr. Marc-Patrick Adolph, IPConcept (Luxemburg) S.A. & Luca Soppelsa, FS Impact Finance

Q&A

Remarks:

Participation in the BAI Webinar is free of charge. The personal data entered by you will be processed exclusively for the purpose of participation. By registering for the webinar, you agree that BAI may forward your name and the e-mail address used for registration to the cooperation partners of said webinar. This consent can be revoked at any time, with effect for the future. Please use the registration link for registration.

Please register

After registration you will receive a confirmation e-mail with information regarding your participation in the webinar.

BAI Webinar – The speakers



Dr. Marc-Patrick Adolph – Referent IPC / PBLU

Marc-Patrick Adolph works in the valuation function of IPConcept (Luxemburg) S.A.. His responsibilities include the valuation of hard-to-value assets, in particular private debt & equity instruments as well as structured products. Mr Adolph is involved in the development, implementation and operation of new concepts for the in depth asset analysis, monitoring and valuation procedures. He wrote his doctoral thesis on Structured Eurobonds at the Chair of Monetary Economics at the University of Trier.



Luca Soppelsa – Referent FSFS

Luca Soppelsa leads the daily operation of the risk and monitoring team of FS Impact Finance. He is responsible for developing, analysing and reporting on the risk profiles of countries and individual assets under management. In addition, he assesses the risk/opportunity of new investments and manages distressed credit exposures and workout strategies. Before joining FS Impact Finance, Luca gathered a multifaceted finance expertise by working for ten years on international, multi-stakeholder projects in the audit, banking and green finance sectors. Since 2013, the focus of his day-to-day work has been on frontier markets. Luca holds a Master in International Economics and Business (Globalisation and Development) from Utrecht University and a Master in Management from the University of Trento. He is a Certified Risk Manager and Renewable Energy Finance Expert by the Frankfurt School of Finance & Management.



Frank Dornseifer is Managing Director of Bundesverband Alternative Investments e.V. (BAI), and responsible for the association's activities in the areas of politics, public relations, law and regulation (including cooperation with associations, members and investors). He has been active for more than 20 years in various functions in investment management, capital markets and corporate law. He studied law at the universities of Bonn, Dublin (Trinity College) and Lausanne. After admission to the German Bar in 2000 he practiced various years as attorney in an international law firm in the field of corporate and securities law before joining the German Financial Regulator BaFin as deputy head of the policy unit within the investment management department. In this function he also represented BaFin in the Investment Management Committee of IOSCO. Mr. Dornseifer frequently publishes articles both on investment and corporate law and he is co-editor of legal commentaries on the German Investment Act and on the AIFM Directive. The finance committee of the German Bundestag, the EU commission and the European Parliament denominated him several times as expert on capital market law. Mr. Dornseifer gives frequently speeches at national and international conferences on investment and regulatory topics.