

# FINANCIAL PRODUCTS, MARKETS & RISK COURSE

**Date:** September 24 - 25, 2020

**Time:** 9.00am – 3.00pm daily

**Cost:** N87,750.00 per participant

**Venue:** Virtual Class

The following delegates will find the workshop beneficial:

- FX Dealers
- Trainee Dealers
- Corporate Dealers
- Internal Auditors
- Settlement Clerks
- Treasury staff in back office and middle office
- Money Market Dealers
- Economists
- Investment/Risk Managers
- Compliance Officers

## **OUTLINE**

### **INSIDE THE TREASURY**

#### **The Role of the Treasury**

- *The current competitive environment: why it is getting harder to cover costs*
- *Key jobs & functions*

#### **An introduction to terminology**

- *Yield curves*
- *Capital markets / money markets*
- *Libid / Libor*
- *Present value*
- *Long / short*
- *Accrual*
- *Mark-to-market*
- *Trading book / banking book*
- *Duration / basis point value*
- *Arbitrage*
- *Risk arbitrage*
- *Primary / secondary market*
- *Over -the-counter*
- *Exchange traded*

- *Hedging*
- *Spread differentials*

### **MONEY MARKETS & FOREIGN EXCHANGE**

#### **Financial mathematics & products**

- *Discount factors, present / future value*
- *Construction of the zero coupon model*
- *Yield curves and market conventions*
- *Swap spreads / government debt markets*

#### **Term structure of interest rates**

- *Credit differentials*
- *Government debt*
- *Corporate debt*

#### **Money markets**

- *Loans and deposits*
- *Certificates of deposit*
- *Commercial paper*

## **Foreign exchange**

- *Spot exchange rates*
- *Interest rate differentials*
- *Outright forwards*
- *Forward points*
- *FX Swaps*

## **Bonds**

### **Floating rate notes**

- *Pricing*
- *Issuance by financial institutions*
- *Perpetuals*
- *Embedded options*

### **Fixed income securities**

- *Cash flow structure*
- *Interest conventions*
- *Price behaviour*
- *Interest rate risk*
- *Credit spreads*
- *New issues & pricing*

### **Zero coupons**

- *Cash flow structure*
- *Risk characteristics*

## **Repo**

- *Classic repo*
- *Repo rate*
- *GC & special*
- *Haircuts*
- *Use by traders & investors*

## **Derivatives**

### **FRAs**

- *Product mechanics*
- *Settlement*
- *Use in hedging / trading*

### **Interest rate swaps**

- *Structure*
- *Pricing screens*

### **Generic interest rate swaps**

- *Who uses interest rate swaps*
- *Comparison with other instruments*
- *Spot starts*
- *Forward starts*
- *Amortising structures*
- *Rollercoaster structures*

### **Liability swaps**

- *New issues*
- *Hedging debt*

### **Swap valuation**

- *Mark-to-market*
- *Basis point value*

### **Currency swap structures**

- *Fixed / fixed*
- *Fixed / floating*
- *FX swaps*
- *Basis swaps*

### **Using currency swaps**

- *With new issues*
- *With assets*

### **Interest rate futures**

- *Contracts*
- *Pricing*
- *Product mechanics & use*

### **OTC Interest rate options**

- *Caps/floors*
- *Swaptions*
- *Product mechanics & use*

### **Investors**

- *What are their motivations?*
- *Importance of customer franchise to the bank*
- *What influences investor behaviour & what do they focus on?*

### **Collateral & Credit Support**

- *The purpose of collateral & credit support*
- *Typical trades covered*
- *Mechanics*
- *Documentation*
- *Alternatives: break clauses, mark-to-market additions, third party guarantees*

### **Capital/Measuring capital**

- *Purpose of capital*
- *Regulatory capital*
- *Influence on markets*

**For further information/Registration, please call Chris (08023548999) or Temitope (08100594029) or send mail to [mmanhq@fmda.com.ng](mailto:mmanhq@fmda.com.ng)**