



## DE05 - Debt Capital Market: Use of Derivatives in Bond Investment

### COURSE OVERVIEW

This course is designed to enable participants to acquire a working knowledge of bond futures products, identify pricing and valuation trends and provide recommendations to better advise clients.

### PERFORMANCE OBJECTIVES

Upon completion of this course, participants will be able to:

- Identify latest innovations in fixed income derivative products
- Know the latest trends in pricing and modeling and appreciate the current bond valuation modeling methods
- Create benchmarking tools and theoretical spot rate curves
- Analyse and mitigate trading risks to better inform clients

### COURSE PROGRAMME

8.30 am - 9.00 am	Registration
9.00 am - 9.10 am	Welcome remarks and introduction to the course
	<b>Session I: Theory</b>
9.10 am - 9.40 am	<ul style="list-style-type: none"><li>• Types of risks (market and credit)</li><li>• Hedging fixed income securities (futures vs. OTC)</li></ul>
9.40 am - 10.00 am	Morning refreshments
10.00 am - 10.50 am	Case Study 1
10.50 am - 11.00 am	Break
	<b>Session II: Theory (contd...)</b>
11.00 am - 11.30 am	<ul style="list-style-type: none"><li>• Bond futures contracts</li><li>• Interest rate swaps</li><li>• Volatility of interest rate and bond prices</li></ul>
11.30 am - 12.20 pm	Case Study 2
	<b>Session III: Techniques</b>
12.20 pm - 12.50 pm	<ul style="list-style-type: none"><li>• Hedging strategies</li><li>• Pricing and valuation considerations</li><li>• Integrating swaps and fixed income products</li></ul>
12.50 pm - 2.00 pm	Lunch
2.00 pm - 2.50 pm	Case Study 3

#### Session IV: Application

2.50 pm - 3.20 pm	<ul style="list-style-type: none"><li>• Product specifications of MGS</li><li>• How to trade MGS Futures</li><li>• Creating synthetics for arbitrage strategies</li></ul>
3.20 pm - 3.40 pm	Afternoon refreshments
3.40 pm - 4.30 pm	Case Study 4
4.30 pm - 5.00 pm	Q & A
5.00 pm - 5.30 pm	Debrief & Program Wrap-up