IBBM

BOND MARKET WITH TRADING SIMULATION

Understanding the characteristics of the real bond market through computer simulation

Tuesday – Thursday

27 – 29 July 2010

Kuala Lumpur

21 CPE credit hours for CRP holders

INSTITUT BANK-BANK MALAYSIA

OBJECTIVES

Upon completion of the programme, participants will be able to:

- understand the mechanics and conventions of both international and domestic bonds markets;
- identify arbitrage opportunities;
- pinpoint key strategies for successful fixed-income pricing, trading and investment;
- apply different conventions of bond pricing;
- interpret duration, convexity and present value of a basis point (PVBP);
- link the PVBP concept to Value at Risk (VaR);
- analyse yield curves for optimum valuations;
- 'boot-strap' a yield curve competently;
- construct hybrid fixed income securities using derivative instruments; and
- deal effectively with interest rate risk and manage a portfolio of fixed interest securities.

KEY TOPICS

- **Introduction to Bonds**
  - Investors vs borrowers – what they look for
  - Bond terminology
  - Disintermediation
  - Recent trends in fixed income markets
  - The parties involved in the bond market
  - How to link investors with issuers
- **Bond Market Role and Structure**
  - Structure – maturity, coupon, frequency, currency
  - Credit
  - Rating – investment grade vs junk bonds
  - Difference between corporate debt and equity from the issuers' perspective and the buyers' perspective
  - Bond types
- **Bond Pricing**
  - Price or yield relationship
  - Day count conventions
  - Determining the price
  - Yield to maturity
  - Portfolio yield
  - Sources of returns
- **Eurobond Markets**
  - What are eurobonds?
  - Cash flow and pricing
  - Coupon structure and provisions
  - Issuing eurobonds
  - Pricing a new issue
  - Managing the funding cost
- **Other Forms of Debt Issues**
  - Zero coupon bonds
  - Other coupon structures
  - Bonds with embedded options
  - Multi-currency issues
- **Credit Analysis**
  - Role of the rating agencies
  - Transparency
  - Default risk
  - Price risk
  - Financial analysis
  - Non-financial analysis
  - Indenture provisions
- **The Impact of Yield Curves for Corporate Borrowers**
  - Spot curve
  - Par curve
  - Zero curve
  - Forward curve
  - Credit curves
- **Bond Price Sensitivity Analysis**
  - How bond characteristics affect bond price sensitivity
- **Corporate Bond Markets**
  - Issuing corporate bonds
  - Marketability
  - Market making
  - Spread
  - Size
  - Liquidity
- **Introduction to Interest Rate Swaps**
  - What is a swap?
  - Interest rate swaps
  - Assets swaps
  - Liability swaps
  - Bond spread to swap
- **Fixed Income Portfolio Management**
  - Liquidity structuring
  - Credit structuring
  - Hedge management
  - Yield enchancement strategies

TARGET AUDIENCE

APPROACH

lectures, group discussions, case studies and computer simulations, where over 10 simulation sessions will be used to emphasise the learning points and allow participants to test their own knowledge and skills.

Treasury personnel, investment bankers, fund managers, control and risk managers and bond traders.

SPEAKER

Mr Nicholas Weston is a Director of ITS Consultancy Sdn Bhd and Managing Director of International Treasury Services Group. He has been conducting treasury training programmes since 1995 when he was formerly a technical treasury trainer for the HSBC Group. Since 1997, he has been running his own sucessful financial training company conducting courses in SE Asia, the Middle East, India and China.

Prior to ITS, Nic was a Client Risk Advisor with HSBC Bank Australia as well as a Senior Portfolio Manager for a period. Whilst at HSBC, he was involved in advising on currency and interest rate risk management as well as Asset and Liability Management. His main skills area is Interest Rate portfolio management where he spent most of his dealing career.

He has conducted capital markets courses for the State Administration of Foreign Exchange in China, Bank of Thailand, Bank Negara Malaysia, Central Bank of Sri Lanka and the Saudi Arabian Monetary Agency (SAMA) as well as numerous in-house courses for banks and financial institutions throughout the world.

ADMINISTRATIVE DETAILS

Date Tuesday – Thursday, 27– 29 July 2010

Time 9.00 a.m. – 5.00 p.m.

Venue Institut Bank-Bank Malaysia
Wisma IBI, 5 Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

Attire Office attire

Fee
STF Member : RM2,100
IBBM Member : RM3,500
Non-Member : RM4,200
The above fee includes programme materials, meals and refreshments. Payment of fee must be made BEFORE commencement of the programme.

Closing date Tuesday, 13 July 2010

Enquiries Kindly contact Nizam/ Wani at 03-2095 8922 (ext 144 / 174).

Nominations Participation is limited to 20 on a first-come, first-served basis. IBBM reserves the right to decline any nomination, without the obligation of providing any reason. Confirmation of participation is by way of official notification from the Institute.

Kindly address nomination form(s) to
The Executive (Learning Solution 3)
Institut Bank-Bank Malaysia
Wisma IBI, 5 Jalan Semantan
Damansara Heights
50490 Kuala Lumpur
Fax : 03-2095 7822
Email : lead@ibbm.org.my

Commitment to the programme The intensive nature of IBBM programmes requires the participants' full undivided attention and attendance at all sessions. Participants should be free of their professional obligations for the duration of the programme.

Notice of withdrawal:
Unless written notice of withdrawal is received before the closing date of the programme, the full fee is still due in the event of non-attendance. The Institute accepts replacement(s), which must made be in writing, prior to the programme's commencement date. However, no substitution of participant(s) will be allowed for the duration of the programme. The Institute reserves the right to make changes to the schedules, venue or cancel the event altogether.

IBBM

REGISTRATION FORM

BOND MARKET WITH TRADING SIMULATION

27 – 29 July 2010

Name & Signature of Nominating Officer *(Please stamp)*

Name & Address of Nominating Organisation *(Please stamp)*

FEE
Please make bank draft/cheque payable to **INSTITUT BANK-BANK MALAYSIA**. Payment of fees must be made BEFORE commencement of the programme

Bank Draft/Cheque No	
RM	

Please register the following participant(s) for the above programme.

PARTICIPANT 1														
Name														
New NRIC No. (*Mandatory*)							-			-				
Individual Membership No. (*if any*)														
Designation and Department														
Email														
Telephone														
Fax														
PARTICIPANT 2														
Name														
New NRIC No. (*Mandatory*)							-			-				
Individual Membership No. (*if any*)														
Designation and Department														
Email														
Telephone														
Fax														

CONTACT PERSON	
Name	
Name of Organisation	
Address of Organisation	
Email	
Telephone	
Fax	

Please photocopy for additional participants.

Please complete and return this form to the Institute before 13 July 2010