

Bonds & Fixed Income Securities

– Products & Management

EUROMONEY'S 2001 TRAINING SCHEDULE

For information on any of the following courses please tick (✓) box below and fax to Euromoney Customer Services
Fax Hotline (+852) 2866 7340



EUROMONEY TRAINING
 A Division of Euromoney Institutional Investor Plc

Bonds & Fixed Income Securities

– Products & Management

A unique 3-day course bringing you sound knowledge on fixed income securities and interest rate models

22-24 October 2001

Shanghai, Hotel Inter-Continental Pudong

This comprehensive training course will provide you with a thorough understanding of:

- ◆ Interest Rate Instruments
- ◆ Bond Mathematics
- ◆ Convertible Bonds
- ◆ Interest Rate Models
- ◆ Bond Portfolio Management
- ◆ Credit Derivatives

**Special
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REGISTRATION HOTLINES: Tel: (+852) 2520 1481 Fax: (+852) 2866 7340
 Email: enquiry@euromoneyasia.com Website: www.euromoneytraining.com

REGISTRATION FORM (Please do not remove this label)

Yes! Please register the following delegate(s) for:
 Bonds & Fixed Income Securities – Products and Management
 22-24 October 2001, Shanghai (HT2446)

PLEASE USE BLOCK PRINT

1st Delegate: (Mr./Mrs./Ms.).....
 Position:
 Tel: Fax:
 E-mail:
 2nd Delegate: (Mr./Mrs./Ms.).....
 Position:
 Tel: Fax:
 E-mail:
(please underline family name)

Approving Manager.....
 Position.....
 Training Manager.....
 Secretary for Enquiry..... Extn.....
 Organisation.....
 Address.....
 City.....Country.....
 Phone.....Fax.....Email.....

Code: HT2446 A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

YES! PLEASE FAX ME EUROMONEY'S 2001 TRAINING CALENDAR

International Trade Finances

- 24-26 September 2001, Shanghai

Asian Cost of Capital Workshop

- 10-13 December 2001, Hong Kong

Mergers & Acquisitions

- 30 July - 2 August 2001, Hong Kong
- 4-7 December 2001, Singapore

M&A Masterclass

- 16-19 October 2001, Hong Kong
- 22-25 October 2001, Sydney

Corporate Finance Workshop

- 8-10 August 2001, Shanghai

Project Finance Workshop

- 10-13 September 2001, Kuala Lumpur

Asset Securitisation

- 20-23 August 2001, Sydney
- 15-18 October 2001, Hong Kong

Hedge Funds/Alternative Investments

- 19-22 November 2001, Singapore

Advanced Asset Management

- 15-16 November 2001, Hong Kong

CLO/CBO Securitisations

- 7-9 November 2001, Hong Kong
- 12-14 November 2001, Sydney

4 EASY WAYS TO REGISTER



FAX

Hong Kong
 (+852) 2866 7340



MAIL

Euromoney Training
 17/F, Printing House
 6 Duddell Street
 Central, Hong Kong



PHONE

Hong Kong
 (+852) 2520 1481



E-MAIL

enquiry@euromoneyasia.com

Registration Fee:

US\$ 2,800 per person for the 3-day course. Fee includes tuition, lunch, refreshments and teaching materials. Hotel accommodation is not included in the course fee, but special rates have been arranged for delegates. (See below)

Delegates registering from China can benefit from special promotion rate of US\$1,750 for the 3-day course.

Early Bird Discount:

Register and pay for the course before 17 September 2001 and benefit from a 5% discount

Team Discount:

When three or more colleagues from one institution attend the same course date, there is a 5% discount available on the second and additional bookings.

Payment:

Crossed cheque payable to: **Euromoney Training**. Please send your cheque payment to **Euromoney Training, GPO Box 11886, Hong Kong**. Seat is confirmed *only* upon receipt of payment.

Cancellation and Transfer Policy:

Payments will be converted towards Euromoney course vouchers that can be applied for any Euromoney Training course in Asia for up to one full year. A course voucher for the full amount will be issued for cancellations received up to 21 days before this event. Cancellations must be made in writing (letter or fax) and reach this office before the 21 days deadline. A 25% charge will be deducted from the course voucher for cancellations received less than 21 days before this event. Of course a replacement is always welcome. A course voucher will not be issued in case of no attendance without cancellation.

Course Venue and Accommodation Information:

Hotel Inter-Continental Pudong, Shanghai, 777 Zhangyang Road, Pudong, Shanghai 200120 PRC

Tel: (+8621) 5831 8888 Fax: (+8621) 5831 7777 Contact Person: Ms Rose Shou

Special corporate rates have been negotiated for course delegates. Please make your accommodation bookings direct with the hotel. To take advantage of the special rates for delegates, please indicate that you are attending **Euromoney's Bonds & Fixed Income Securities course**.

Incorrect Mailing address:

Please accept our apologies for mail that is incorrectly addressed. Please send or fax us a copy of the label and we will update our records accordingly. We occasionally allow reputable companies to mail details of products that may be of interest to you. Please tick this box if you do not wish to be informed of these offers.

Course Objectives

With recent volatility in Asian equity markets, bond and fixed income securities, including convertibles, are becoming attractive sources of fundings in the region. It is widely believed that the deepening of the bond market will improve access to long-term funding and facilitate better risk management by issuers and institutional investors alike. As a result, fixed income securities analysis has become increasingly important.

Thus banks, issuers and investors cannot afford to understate the significance of bond and fixed income related products. Instead, they will have to equip their staff with essential knowledge relating to the product development, as well as investment management, in the bond markets.

Euromoney Training's unique **Bonds & Fixed Income Securities – Products and Management** course will provide delegates with a sound understanding of the most important fixed income securities, interest rate models and related structured products available in the Asian financial markets. Illustrative case studies of some real Asian products will help providing delegates with detailed explanation of the valuation and risk management methodologies.

Course Content

This intensive 3-day course covers:

- ◆ Interest Rate Instruments
- ◆ Bond Mathematics
- ◆ Convertible Bonds
- ◆ Interest Rate Models
- ◆ Bond Portfolio Management
- ◆ Credit Derivatives

Teaching Methods

The course strikes a fine balance between lecture sessions, worked examples, exercises and case studies. One distinctive feature of the programme is the interactive real case studies of various Asian interest rate instruments and credit derivative products.

Participants

This course is directed to market practitioners, bond issuers and investors/end-users with limited exposure to fixed income securities and derivatives who want to acquire the fundamental understanding of various aspects of pricing, valuation and risk management with bond products. It is suitable for all individuals in financial institutions and who are involved in bond investing in their recent job functions. It is also suitable for those whose jobs are related to the trading and marketing of fixed income securities and derivative instruments to gain acquaintance with the new generation of financial products.

This course would be of particular benefit to:

- ◆ Bond issuers and investors
- ◆ Fixed income traders and sales people
- ◆ Research analysts
- ◆ Portfolio managers
- ◆ Fixed income fund managers
- ◆ Bank and corporate treasury managers
- ◆ Chief financial officers/finance directors
- ◆ Risk managers

• Documentation & Course Texts •

All delegates will receive comprehensive course documentation for use during and after the course, enabling them to return to their organisations with an extensive and valuable source of information for future reference.

Bonds & Fixed Income Securities

– Products & Management

DAY ONE

Review of Interest Rate Instruments

- Straight-rate instruments
 - Straight bonds: treasury, corporate or high yields
 - Short term borrowing/lending: Repos, reverse Repos and FRAs
 - Floating rate notes (FRN)
 - Interest rate futures: T-Bond, T-Note and Eurodollar futures
 - Interest rate swaps and currency swaps
- Convex-rate instruments
 - T-Bond options
 - T-Bond and Eurodollar futures options
 - LIBOR instruments: caps, floor and swaptions
 - Betting on the yield spreads: spread options
 - Structured notes
 - ✓ Callable bonds
 - ✓ Reverse/inverse FRNs
 - ✓ Capped/collared FRNs
 - ✓ Dual currency bonds
 - ✓ Currency indexed notes

Basics of Bond Mathematics

- Day count convention and compounding frequency
- Price-yield relationship
- Measures of sensitivity: DV01, McCauley duration and convexity

Case Studies

*Straight bond pricing methodology
Calculating DV01, duration and convexity
Valuing T-bond futures*

DAY TWO

Convertible Bonds

- Conversion, call terms and premium protection
- Put and reset features
- Bond investment value and investment risk
- Default risk of convertibles
- Interest rate sensitivity and duration analysis
- Equity risk measures

Raising Capital with Convertible Securities

- Low-risk equity alternative
- Diversifying fixed-income with convertibles
- Convertibles as backdoor equity financing

Case Study

Convertible bond issues of Pacific Century Cyberworks

Bond Portfolio Management

- Structure of bond markets
- International bond markets
 - Eurobond markets
 - US Treasury and corporate debt markets

- Asian bond markets
- Other sovereign debts: Brady bonds and Eastern European bonds
- Credit ratings and prices
 - Credit scales and risk premiums
 - Investment grade versus non-investment grade bonds
- Passive risk management
 - Dedicated portfolio/duration immunisation/horizon matching/indexed portfolios
- Active risk management
 - Yield curve trading/arbitrage/bond switch/yield enhancement

DAY THREE

Interest Rate Models

- Term rates, forward rates and futures implied rates
- Variety of yields: zero, forward, par, LIBOR, swap, CMT and CMS
- Bootstrapping method for Treasury yield curves
- From yield curves to forward rate curves
- Building the binomial tree for the Ho-Lee model
- Pricing and hedging with the Black model

Case Studies

*Black model for T-Bond futures options and LIBOR caps
Credit, price and YTM of the Brazilian C-bond*

Derivatives on Credit Risk of Debts

- Product nature of credit derivatives
 - Total return swaps
 - Credit default swaps
 - Credit spread swaps and options
- Pricing framework for credit derivatives
 - Term structure of credit spreads
 - Merton's structural approach
 - Jarrow's reduced form approach
- Use of credit derivatives for trading risks
 - Bank/financial institutions applications
 - Protection buyer's and seller's perspectives

Course Conclusion & Summary

Free Subscription!

Delegates will receive a free 3-month subscription to Asiamoney magazine at the conclusion of the course.



Please note

All delegates should bring along a financial calculator. The Hewlett Packard HP-B series are recommended.

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Course Times: Registration is at 8:30am on the first day. The course begins at 9:00am and concludes at 5:00pm daily.

Course Directors

Dr Yue Kuen Kwok, is an Associate Professor in the Department of Mathematics, The Hong Kong University of Science and Technology. He was awarded his PhD degree in Applied Mathematics from Brown University in 1985. Dr. Kwok's research interests concentrate on pricing and risk management of equity and fixed income derivatives. He has published research articles in major research journals in financial engineering and presented invited lectures at various international finance conferences. In addition, he is the author of a widely adopted textbook titled "Mathematical Models of Financial Derivatives" (published by Springer) and a popular book on the Hong Kong derivative markets. He has provided extensive consulting services to **W. I. Carr Indosuez, HSBC, Peregrine** and other financial houses on various aspects of derivative trading.

Dr. Lixin Wu, is an Assistant Professor in the Department of Mathematics, The Hong Kong University of Science and Technology. Dr. Wu received his PhD degree in Applied Mathematics from UCLA. His current research interests are quantitative modelling of equity and fixed income derivatives. He has published numerous articles on financial engineering in major journals. Between 1998 and 1999, Dr Wu was a consultant to **Morgan Stanley Dean Witter (New York)** on credit risk modelling of the Brady debt markets. In addition, he has acted as a consultant to local firms on exotic derivative modelling. Mr. Wu is an experienced trader of equity options.

Both instructors are columnists in the Hong Kong Economic Journal, and write on financial derivatives trading.



EUROMONEY TRAINING

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Pre-Course Delegate Questionnaire

To help us effectively establish your individual training needs, we will send you a short questionnaire upon receipt of your registration. This will allow us to gain a thorough understanding of your job duties, experience and desired objectives from attending this course. Please therefore register early to allow sufficient time for this to take place.

OPPORTUNITIES FOR CO-OPERATION IN YOUR REGION

Let us come to you!

We can deliver the training programme of your choice in your country!

- Cost effective training for you, your staff and/or your clients delivered locally by the Euromoney faculty of international expert practitioners
- A publicity and marketing opportunity

If you would like to discuss possible co-operation in developing programmes within your region, please call:

Maggie Tang

Training Manager, Financial Training

Tel: 852-2111 6636

Fax: 852-2866 7340

E-mail: maggielang@euromoneyasia.com

Web: www.euromoneytraining.com/asia

Mail to: 17/F Printing House, 6 Duddell Street, Central, Hong Kong