



Interest Rate Derivatives

Development for Finance Professionals™

A Blended-Learning Program from ACF Consultants



Welcome to ACF Academy's Open Enrollment Programs

ACF Consultants have a solid reputation for delivering innovative, top-quality training for some of the largest and most demanding financial institutions in the world. ACF Consultants are global leaders in the creation of cutting-edge financial simulations and interactive eLearning for the global financial markets.

We are the first premier financial training company to offer open seminars using our uniquely blended learning techniques.

Blended learning is a fundamental principle of the ACF approach to training. Our seminars offer a fully integrated, multi-faceted learning experience which ensures that knowledge is applied in practice and retained effectively. We limit the numbers attending each program to maximise the benefit for each delegate. Passive learning is kept to a minimum, and the emphasis is on delegates achieving a true understanding of the key concepts, and how they are applied in the real world.



Blended Learning

Blended learning is at the heart of our training philosophy. A dynamic blend of highly interactive **eLearning** using **Acumen**, top quality **instructor-led training**, and realistic and exciting **simulations** creates the most effective and motivating training methodology available anywhere.

Firm foundations are laid with highly interactive eLearning and dynamic instructor-led training. Hands-on workshops and simulation are then used throughout the programs allowing delegates to put theory into immediate and realistic practice.



Instructor Led Training

Our instructor-led training is of the highest quality, and we invest heavily in research and development. Our professional written materials complement trainers with first-rate communications skills, an excellent academic background and sound markets knowledge.

Our expert instructors are skilled in the art of transferring knowledge, and we make use of a variety of creative training techniques to maintain energy and focus.

We are committed to achieving exceptional results.



Interest Rate Derivatives

The principal objectives of this intensive two-day seminar are to:

- Give delegates a clear understanding of the practical use of interest rate derivatives.
- Explain how a zero-curve and set of discount factors can be constructed from market prices
- Provide a detailed explanation of the principles of zero-coupon pricing
- Demonstrate how to price, value, and hedge swaps, caps and floors, swaptions, and cancellable swaps
- Consolidate the learning experience by giving delegates hands-on practice with ACF's sophisticated pricing, analytical and trading software

Hot Topic Pricing and hedging interest rate derivatives in the current LIBOR market.

After attending this programme, delegates will:

- Gain a clear appreciation of the range of Interest rate Derivative Products
- Understand the how a range of Interest Rate Derivatives are priced
- Experience dynamic practical hedging and/or trading of the products
- Be more aware of risk issues and how to manage them
- Be able to deliver more relevant and innovative solutions to the customer

In the following course outline, all practical sessions are highlighted like this:

 means a Workshop or Simulation

 means a Case study



Course Outline

Day One

Interest Rate, Currency, and Asset Swaps

- Definitions and terminology
- Market participants and drivers
- Cash flows and timing
- Quotation and dealing conventions
- Interest rate swaps: standard vs. non-standard swaps
- Currency swaps
- Asset swaps
- Hedging interest-rate risk
- Fixing financing costs
- Fixing investment returns
- Reducing financing costs
- Swap applications
- Swap risk for different types of swaps

Yield Curves and Zero-Coupon Pricing

- Yield curve mathematics
- Zero-coupon rates
- Swap and par rates
- Forward rates
- Zero-coupon pricing
- Discount factors and the discount function
- Links between swap, zero & forward rates
- Calculating discount factors
- Deriving the discount function from market rates
- Pricing an FRA from the futures strip

Pricing and Valuing Swaps

- Swap valuation principles
- Valuing the fixed leg
- Valuing the floating leg
- Valuing a swap
- Pricing vanilla and non-standard swaps
- Sensitivity to movements in swap rates
- Cancelling or unwinding a swap
- Valuing swaps
- Partial coupon periods and other non-standard features
- Credit exposure – measurement and management
- Hedging swaps
- Hedging swaps using strips of futures

Day Two

Interest Rate Options

- Definitions and terminology
- Market participants and drivers
- How interest rate options differ from other options
- Interest rate guarantees (IRGs)
- Interest rate caps
- The term structure of volatilities
- Interest rate floors and collars
- Quotation and dealing conventions
- Principles of cap and floor pricing
- Pricing standard and non-standard caps
- Link between swap and forward rates
- Cap/floor parity
- Captions and floortions
- Swaptions
- Pricing swaptions

Interest Rate Derivative Structures

- Participating caps
- Step-up, step-down and ratchet caps
- Amortising, accreting, and rollercoasters
- Self-funding caps
- Cancellable and extendable swaps
- Creating a cancellable swap

Hedging with Interest Rate Derivatives

- Option hedging structures
- Establishing client objectives
- Determining pain thresholds and views
- Tailoring the hedge to match the need
- Reducing the cost of client hedges
- Designing innovative products and solutions
- Structuring a client I/R hedge

Interest Rate Derivatives



www.ACFacademy.com

Registration Form

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If you are interested in any financial training seminars, please visit our website(s) at:

www.acfacademy.com
www.acfconsultants.com

Accreditation: ACF Consultants Ltd is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

State Boards of Accountancy have final authority on the acceptance of individual courses for CPE Credit.

Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. Website: www.nasba.org.

Fees: The fee for each seminar is per participant, inclusive of refreshments, lunches and seminar materials.

Course fees do not include applicable tax, transportation, or hotel accommodation, unless otherwise indicated.

Preferential rates may be available; please mention our seminar when booking with the hotel.

Payment must be received in full at least 30 days prior to the start of the seminar.

Special prices

(participants are only eligible for one of the following):

- 5% reduction when an individual registers 60 days or more prior to the commencement of a seminar
- 10% reduction when 2 or more individuals from an organization register for the same seminar
- 10% reduction when an individual registers for more than one seminar at a time

Cancellation Policy:

Cancellations may be made up to 30 days in advance of the seminar, after which date refunds cannot be given.

Notification must be received in writing by letter, fax, or email. In the event of a participant not being able to attend, a substitution may be made at no extra cost. We reserve the right to amend the prices, or cancel a seminar at any time.

Refund Policy: For further information on our refund and complaint policy, please contact us.

I WISH TO ATTEND THE FOLLOWING PROGRAM

- London Chicago
 New York Toronto

Dates: _____

Course Schedule - Classes run from 9am - 5pm. Lunch, and morning and afternoon refreshments are provided daily. Venue details will be provided on receipt of registration form.

HOW DID YOUR HEAR ABOUT THE PROGRAM?

- Colleague Client's Company Email Google
 ACF's Event ACF's Rep ACFacademy.com
 NASBA Advertising Financial Times

DELEGATE DETAILS

Name: _____
Title: _____
Department: _____
Company: _____
Address: _____
City: _____ State/County: _____ Zip/Postcode: _____
Country: _____
Telephone: _____ Fax: _____
E-mail: _____

ADDITIONAL DELEGATE DETAILS

Name: _____
Title: _____
Department: _____
Company: _____
Address: _____
City: _____ State/County: _____ Zip/Postcode: _____
Country: _____

PAYMENT DETAILS

Payment Method: VISA Master Card Invoice me at the address listed above

Card #: _____ Expiration: _____
CVC: _____

Cardholder Name: _____

Signature: _____
(signature required)

