



Introduction to Financial Markets

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 simulations 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.



Introduction to Financial Markets

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

- **Introduce** the **institutions, markets, services, and products**
- Give delegates a **clear overview** of the **international financial markets**
- Explain the **role** of various **financial institutions**
- Introduce a **range** of **essential financial products**
- Show **how each product is used** in the markets
- Explain the role of **risk management** and **compliance**
- Consolidate the learning experience by giving delegates **practical hands-on experience**

Hot Topic The Credit Crunch – causes and future impact.

After attending this program, delegates will have a clear idea of how the financial market works, and the roles played by the various participants in the market.

Course Outline

Day One

Introduction to Financial Markets

This module sets the scene by explaining how each of the major financial markets works, what products are traded, how the markets are inter-related, and the role played by each major participant.

- The Development of the Global Markets
- Participants in the Markets
- Investors, borrowers, and intermediaries
- Role of retail, investment and commercial banks
- Institutional investors
- Individual investors
- Mutual and hedge funds
- Pension funds and insurance companies
- Regulation and control
- The role of the regulatory authorities
- Banking in the 21st century

The Core Businesses

Here we look at the part played by each of the key business units within a financial institution, including the vital support functions. Delegates will be able to see how their role fits within the bank as a whole.

- Corporate Finance & Investment Banking
- Trade Finance
- Asset Management and Private Banking
- Corporate Banking



- Insurance
- Real Estate
- Operations and Compliance
- The Trading Function
- The Sales Function


Introducing the Cash Markets

An important part of the financial marketplace are the markets for “cash” products – like equities, fixed-income, the money markets, and FX. This module sets-the-scene, and introduces the functioning and purpose of each product.

- Capital Markets Overview
- The Equities Markets
- Research, Valuation, and Sales
- Trading Equities
- The Money Markets
- Fixed Income Products
- Treasury and corporate bonds
- High-yield and emerging market debt
- Repos
- Foreign exchange
- The products in context
- Applications for the bank
- Applications for clients

Market Dynamics and Trading

This section will feature hands-on practice using our unique Global Trader simulator, giving delegates first-hand experience of the dynamics and practicalities of trading, and the roles played by the bank's traders, customers, and the back office.

- Quote-driven vs. order-driven markets
- Market-making
- Customer dealing
-  Equities simulation


Day Two

Equity Markets and Instruments

The equities markets are an important source of finance for new and established companies. This module explains how the equities markets work, how new issues are brought to the market, and how stocks are traded thereafter.

- Review of international equity markets
- Type of equity product
- Depositary receipts
- Issuing procedures
- Role of the Stock Exchange
- Auto trades and block trades
- Pricing and valuation techniques
- Stock indices
- Convertibles and warrants




- Mergers and acquisitions
- Trading strategies
-  Equities trading simulation

Introduction to the Time Value of Money

The time-value-of-money concept is central throughout banking and finance. This module explains TVM concepts, and the principles of discounting and annuities.


- Time value of money principles
- Present and future values
- Interest and discount factors
- Simple vs. compound interest
- Discounting and compounding
- Annuities
- Discounted cash flows
- Net present value
- Internal rate of return

 TVM Workshop

Understanding the Yield Curve

This module explains what the yield curve is, why it adopts a particular shape, and what the implications for investors, borrowers, and banks are.


- Definition of the yield curve
- The normal yield curve
- Liquidity and expectations hypotheses
- Up- and downward sloping yield curves
- Yield curve strategies and plays
- Forward rates

 Analysing the present yield curve

Money Markets and Instruments

This module explains the money markets – the market for short-term debt instruments used by governments, companies, banks, and investors.

- Discount vs. coupon securities
- Interbank deposits
- Bills
- Commercial paper
- Certificates of deposit
- Repos
- Pricing money market instruments
- Discount vs. yield quotations

 Comparing short-term investments



Day Three



Bond Markets and Instruments

The fixed-income markets are one of the most important components of the capital markets, providing long-term finance for governments and corporations. This module explores the issuers, and the types of bond which are issued.

- Bonds vs. equities
- US Treasuries
- Bunds, OATs and BTPs
- JGBs, UK Gilts
- Eurobonds
- MTNs and Euronotes
- Corporate bonds
- FRNs vs. fixed income
- The treasury yield curve
- Primary vs. secondary market
- Bond rating
- High-yield bonds



Foreign Exchange

The Forex market is a global 24 hour \$3 trillion-a-day market vital for commerce and trade. This module explains the role and functioning of the FX market, the participants, and the types of transactions which are traded.


- Functions and purposes of the FX market
- Market mechanics
- Quotation conventions
- Cross rates
- Influences on the market
-  FX spot simulation
- Outright forward and swap deals
- Relation between spot & forward markets
- Impact of interest rates
- Quoting forward rates and swap points
-  Corporate applications for forward and swap transactions

Derivatives Overview – Part One

Over the past thirty years, derivatives have revolutionised the management of financial risk, and created huge opportunities for banks and other players in the market. This module explains the types of derivative contract, and how they are used to manage interest rate, currency, equity, and commodity risk.

- Futures contracts
- Interest rate futures
- Bond and stock index futures
-  Using futures to hedge a bond portfolio
- Interest rate swaps
- Currency swaps
- Equity swaps
-  Swap applications
- Option terminology




- Stock options
- Interest rate caps and floors
- Exotics
-  Hedging risk with derivatives

Day Four


Credit Derivatives

Credit derivatives have revolutionised the way in which banks and insurance companies manage their exposure to credit risk, and how insurance companies can use these products to diversify and spread their risks.

- Introduction
- Credit default swaps
- Index products
- Collateralised products
- Motivations for using credit derivatives
-  Using credit derivatives


Overview of Structured Products

This short module provides an insight into structured products, what they offer investors, and how banks can create innovative new structures for their clients.

- What is a structured product?
- Deposit products
- Bonds and notes with fancy payoffs
- Guaranteed equity funds
- How banks create structured products
-  Equity-linked principal-protected two-year note

The Role of Risk Management and Compliance


Managing risk is increasingly important. This module analyses the different risks to which banks are exposed, and how these risks are measured and controlled. The role of the regulatory agencies and their relationship to banks is also examined.

- What is risk?
- Sources of risk in the financial markets
- Options for managing risk
- The importance of compliance
- Fraud
- Money-laundering (how to prevent it)
- The role of regulatory authorities
- The FSA, BoE, SEC, Fed, and BIS
-  Some financial disasters



Asset and Portfolio Management

An increasingly important function is that of Asset Management and Portfolio Management. In this final session, delegates will learn about balancing risk and return, how performance is measured against industry benchmarks, and about different asset allocation techniques.

- Risk and return
- Mutual funds, hedge funds, unit trusts
- Performance measures and benchmarks
- Active vs. passive
- Stock picking vs. index tracking
- Defining customer objectives
- Risk tolerance and risk appetite
- Asset allocation techniques
-  Recent fund performance

NB All practical sessions are highlighted like this:

 means a Workshop or Simulation

 means a Case study

Introduction to Financial Markets



www.ACFacademy.com

Registration Form

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

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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: _____
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ADDITIONAL DELEGATE DETAILS

Name: _____
Title: _____
Department: _____
Company: _____
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Country: _____

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

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CVC: _____

Cardholder Name: _____

Signature: _____
(signature required)

