

COURSE OUTLINE:

Introduction to Fixed Income Markets

2 days
16 CPE Credits

Overview

This programme is designed to provide participants with a thorough grounding in the major classes of fixed income securities, and to clarify the main concerns for issuers and investors for each class.

Learning Objectives

Upon completion of this seminar delegates will be able to:

- » Discuss the importance of capital structure
- » Perform standard financial maths for both short and longer term debt products
- » Understand the issuer and investor perspectives on government and corporate debt
- » Discuss issues around the capital structure of financial institutions
- » Perform basic pricing and return calculations
- » Analyze security issuance in money and bond markets
- » Compare and contrast the different forms of issuance possible
- » Understand the mechanics and applications of repos
- » Analyze the risk and returns in convertible bonds

Who Should Attend

This course is useful for:

- » Portfolio/asset/fund managers
- » Credit/lending officers
- » Investment and commercial bankers
- » Fixed income professionals
- » Risk managers
- » Banking supervisors

Program Level

Program Level: Introductory

Prerequisites: Not Applicable

Delivery Method: Group-Live

Accreditation

Moody's Analytics 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 submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org.

WHY MOODY'S ANALYTICS?

Current and Consultative

Our seminars are created and updated utilizing the extensive experience, skills and research of Moody's Analytics. For in-house training, we work with you to understand the distinct needs of your organization and design, implement, and track the performance of your learning programs from end-to-end, including skills assessment, program design, implementation, evaluation, and enhancement.

Comprehensive Coverage

We offer a broad set of technical and soft skills programs that can be combined and adapted to the needs of your staff. Our areas of expertise include banking, finance, sales negotiation and leadership development:

Unparalleled Expertise

Our training solutions leverage over a century of experience in risk assessment and the comprehensive tools, data, and analysis of Moody's Analytics to deliver timely, in-depth, and comprehensive knowledge. In delivery, our people make the difference – they combine deep experiences as financial practitioners, intellectual passion for the content, and superior academic credentials with a commitment to delivering outstanding quality.

Introduction to Fixed Income Markets – Agenda

DAY ONE

Session 1: Introduction

- » What are the fixed income markets?
- » Who are the users of fixed income markets?
- » Capital structure and financing choices
- » The importance of capital structure for Fls
- » Regulation of capital markets tracts

Session 2: Financial mathematics

- » Time value of money
- » Discounting & compounding with simple & compound interest
- » Day counts & basis: Act/360, Act/365. Act/Act, 30/360
- » Interest rate curves: spot, forward & zero
- » Yield measures
- » **Exercises:** financial market mathematics

Session 3: Government debt markets

- » Risk free rates as benchmarks
- » T-bills
- » **Exercise:** discount vs. yield
- » Government bonds
- » QE & tapering
- » Sovereign distress and default
- » **Case study:** Argentina & Greece

Session 4: Money markets

- » Players: borrowers and lenders
- » Bank loans & deposits, certificates of deposit
- » 'IBORs and rigging
- » Corporate debt: commercial paper
- » **Exercise:** money market valuations
- » Issuer vs. investor concerns

DAY TWO

Session 5: Corporate bond markets

- » A bond as a debt instrument
- » Types of issuer
- » The issuance process
- » Bond ratings
- » Bond cash flows and yields for issuer and investor
- » Types of bond structures
- » Floating rate note analysis
- » **Case study:** investor perspectives on new issued bonds
- » Secondary markets
- » Fair value analysis
- » Price risk on bonds

Session 6: Repurchase Agreements

- » Mechanics of classic and buy/sell back repos
- » Margins
- » Applications
- » **Exercise:** using a repo

Session 7: Swaptions and options on Bonds

- » The role of the hybrid in the capital structure
- » Convertible bonds
- » Standard convertible metrics
- » **Case study:** convertible issue
- » Bail in bonds for Fls
- » **Case study:** contingent convertibles

Tailor Any Seminar for Your Organization

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Multiple Bookings

Special rates may be available for multiple seminar or group bookings. Please contact us for details.

Fees & Cancellations

The fee listed is per participant and includes refreshments, lunches and seminar materials. Seminar fees do not include tax, transportation or hotel accommodations. Payment must be received in full prior to the start of the seminar. Registrations may be cancelled in writing via letter or email at least 30 days before the first date of the training for a full refund. Cancellations received less than 30 days in advance are eligible for substitution with another seminar, but fees will not be refunded. We reserve the right to cancel or reschedule seminars at any time. For further information on our refund and complaint policy, please contact us.

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