



## Swaps II

Building on the concepts taught in Swaps I, participants gain expertise in critical areas such as structure, pricing, and documentation.

### Available Session(s):

12-Dec-2008 -- 12-Dec-2008 Chicago USD \$1475

NY Institute of Finance - 9:00am - 4:30pm Fri  
Chicago

Instructor(s):[Ronald T. Slivka; ]

06-Mar-2009 -- 06-Mar-2009 New York USD \$1575

NY Institute of Finance - 9:00am - 4:30pm Fri  
Midtown

Instructor(s):[McCabe Hurley; ]

26-Jun-2009 -- 26-Jun-2009 New York USD \$1575

NY Institute of Finance - 9:00am - 4:30pm Fri  
Midtown

Instructor(s):[McCabe Hurley; ]

### Targeted Audience

Traders, sales professionals, back office professionals, financial analysts, cash/money managers, auditors, compliance professionals, financial and bank officers, accountants and regulators.

### Special Offer

Clients who register for this course will receive a complimentary 6 month subscription to the Financial Times and FT.com. The Financial Times is the world's most respected financial newspaper providing a broad assessment on finance, business and the industrial sector. Subscriptions will start within 6-8 weeks of the application process, and are limited to one per client. For questions about your subscriptions call 800-628-8088 or email [uscirculation@ft.com](mailto:uscirculation@ft.com). US and Canada enrollees only.

### Advance Preparation

No advance preparation required.

## **Prerequisites**

Swaps1 & Futures (parts of 5 day derivatives suite) or equivalent knowledge; 2 - 3 years financial markets experience working for a bank or brokerage firm currently in the derivatives (swaps) business; A minimum of 1 year professional working experience for a bank or broker in their swaps department (trade or trade support); You will need a financial calculator with the following specific functions: 1) The e(x) (the Exponent e) function; 2) The LN (the Natural Logarithm functions)

## **Learning Objectives**

Students will be able to:

- Identify different types of yield curves and how they interrelate.
- Explain how to price a Forward Rate Agreement and Eurodollar futures.
- Demonstrate pricing and hedging an Interest Rate Swap
- Track how Interest Swaps (and related products like options) are used by the various market participants, as well as what products are

## **Alumni Comments**

*"This course utilized many good examples and cases."*

*"Great instructor!"*

*"Instructor's knowledge and enthusiasm were great!"*

*"The instructor had the ability to apply the course material to individuals in the class."*

**Level:** Intermediate

**CPE Credits:** 7

**Instructional Method:** Group-Live

## **Detailed Outline**

### **Swaps 2 Yield Curves defined & ED Futures defined**

#### **Yield Curves Defined**

- Different types of yield curves
- Par Swap Curve
- The Spot Curve (Term Structure of Interest Rates)
- Forward Rates

#### **Calculating Spot and Forward Rates**

- Calculating Spot Rates from US Treasury Prices
- Using Spot Rates to Calculate Swap Rates
- Calculating Forward Rates

## **Forward Rate Agreements**

- Definition of Contract
- Overview of Pricing

## **Eurodollar Futures**

- Definition of contract
- The Forward Curve
- The Eurodollar strip

## **Pricing & Hedging Interest Rate Swaps Using ED Futures**

- The Eurodollar strip
- Using the Eurodollar futures to create a par swap curve

## **Pricing US Interest Rate Swaps: Ongoing**

- Repricing existing US interest rate swaps
- DV01 of a US Interest Rate Swap

## **Interest Rate Options: Caps, Floors, Collars and Swaptions**

- Uses and Applications of Caps, Floors, Collars and Swaptions
- Pricing of Caps, Floors, Collars and Swaptions

## **Other Types of Swaps**

- Total Return Swaps: Credit & Equity Linked

## **Swap Users in Today's Markets**

- Uses by corporations (asset-liability management, bond issuance)
- Uses by asset managers (non-leveraged uses)
- Uses by hedge funds (leveraged uses)
- Credit Default Swaps: uses and applications today

For more information regarding administrative policies such as complaints and refunds, please contact our offices at 212-641-6616.