



Note and Bond Futures - Online

This module covers futures contracts based on fixed income securities. These futures contracts enable you to fix the price of a bond today to be bought or sold in the future. We'll start out by introducing contract specifications and conversion factors, and then work our way through the cheapest to deliver scenario, invoice amounts and accrued interest, pricing, and cash and carry. The module wraps up with a discussion of implied repo rates, finding the cheapest to deliver bond, and hedging with bond and note futures.

This course replicates the content from lesson 4 of Forwards and Futures - Online

This is an asynchronous eLearning course that can be accessed 24/7 from any internet enabled computer. Subscription period for this course is 90 days.

Targeted Audience

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

Advance Preparation

No advance preparation required.

Prerequisites

Derivative Instruments or equivalent level of knowledge

Learning Objectives

Students will be able to:

- . Identify the standard elements of note and bond futures.
- . Define the function of the conversion factor.

- . Describe how the cash and carry process determines bond futures pricing.
- . Recognize the methods for identifying Cheapest To Deliver bonds.
- . Identify the two measures of bond risk as they're related to hedging.

Alumni Comments

"The content of the training was useful and very clear."

Follow-Up Courses

Introduction to Forwards and Futures - Online

Forward Rate Agreements (FRAs) - Online

Short Term Interest Rate Futures - Online

Stock Index Futures- Online

Risks of Forwards and Futures - Online

Level: Intermediate

CPE Credits: 1

Instructional Method: Self-Study

Detailed Outline

Note and Bond Futures

Topics covered include:

- . Contract specifications
- . Conversion factors and cheapest to deliver
- . Invoice amount and accrued interest
- . Pricing: cash and carry
- . Finding the cheapest to deliver
- . Hedging with bond and note futures

Duration: 1 hour

Powered by NYIF

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