



Risk Management for the Debt and Equity Markets

Participants will learn to measure and manage financial risk, including interest rate and yield curve risks. They will also be exposed to the traditional approaches to managing risk, as well as the use of derivatives in risk management.

Special Offer

Clients who register for this course will receive a complimentary 4-month subscription to FT.com. The Financial Times is the world's most respected financial newspaper, providing a broad assessment on finance, business and the industrial sector. The move to the electronic version follows an ongoing review of our environmental responsibilities as a global business and as part of the Pearson group. FT.com also has features that are not available in hard copy, such as: Special Reports, Alphaville, editor blogs, education sections and much more! Subscriptions will start within 6-8 weeks of the start of class and are limited to one subscription per client. (Please note: as of May 1, 2011, the electronic subscription replaces the hard-copy 3-month Financial Times subscription.)

Advance Preparation

No advance preparation required.

Prerequisites

Introduction to and Overview of Risk Management or equivalent knowledge.

Alumni Comments

"Professor Onochie was able to explain complex issues in a simple manner"

"Personally, I was not aware of the complex issues and high level of the course"

Follow-Up Courses

Credit Derivatives: Intermediate

Credit Derivatives: Intermediate - Evening

Equity Derivatives - Day

Equity Derivatives - Evening

Level: Intermediate

CPE Credits: 14.0

Instructional Method: Group-Live

Detailed Outline

Day 1

Measuring Financial Risk

- . Interest rate and yield curve risks
- . Price value of a basis point (DV01)
- . Duration
- . Convexity

Equity Risks

- . Variance
- . Covariance
- . Correlation
- . Beta
- . Value-at-risk
- . Variance-Covariance
- . Delta-Gamma adjustments
- . Historical simulation
- . Monte-Carlo simulation

Day 2

Approaches to Financial Risk Management

- . Traditional approaches to financial risk management
- . Immunizations
- . Risk limits
- . Internal controls
- . Natural hedges in portfolios

Using Derivatives to Manage Financial Risks

- . Forwards
- . Futures
- . Swaps
- . Options
- . Using exotics and other structures

Asset Liability Management

- . Maturity-Matching
- . Gap
- . Duration