

Budapest

Danubius Grand Hotel Margitsziget

FX and Interest Rate Derivatives

Despite the financial crisis, banks and corporations still use currency and interest rate derivatives for hedging the exposures that arise in their day-to-day business. The excessive and irrational use of these instruments before the current financial crisis, however, reminds us that we need a really sound understanding of these instruments. The risks involved must be thoroughly understood before we start using derivatives.

Course Contents

- Foreign exchange derivatives
 - FX forwards
 - FX swaps
 - FX futures
 - FX options
- Interest rate derivatives
 - Forward/Forwards
 - Forward Rate Agreements (FRA)
 - Interest Rate Swaps (IRS)
 - Interest Rate Options (IRO)
- Basics of equity and fixed income derivatives
- Basics of derivatives pricing and valuation
- Practical exercises and examples of trading and hedging with derivatives



Course Director: Jernej Doles
Date: 18-19 May 2020
Venue: Budapest, Danubius Grand Hotel Margitsziget



Course Objectives

This warm-up seminar on derivatives will provide participants with a general introduction to forwards, swaps, futures, and options, and explain the advantages and disadvantages of an individual instrument. We will explain the link between the cash and futures markets, and the main characteristics, most important terms, and basic mechanics of instruments. An overview of the organized derivatives and OTC markets will be presented with selected examples. Finally, we will give participants an overview and examples of the basic uses of derivatives for trading and hedging purposes.

Day 1

Thursday, 18 May 2020

9.00–10.30	Welcome Introduction to financial instruments and financial markets Spot trading
10.30–10.45	Coffee break
10.45–12.30	Introduction to derivatives Why and how to use derivatives? How to start trading with derivatives? FX derivatives
12.30–13.30	Lunch break
13.30–15.00	FX Forwards <ul style="list-style-type: none"> characteristics, practical exercises FX Swaps characteristics, case studies of FX swaps, practical use
15.00–15.15	Coffee break
15.15–17.00	Futures contracts <ul style="list-style-type: none"> history, characteristics, standard specification, types, margins Basics of equity and equity index derivatives
17.00	End of the first day of the Workshop

Day 2

Friday, 19 May 2020

9.00–10.30	FX Options <ul style="list-style-type: none"> characteristics, option types and styles, option valuation, option premium
10.30–10.45	Coffee break
10.45–12.30	Interest rate derivatives Forward/Forwards Forward rate agreements (FRA) Interest rate swaps (IRS) <ul style="list-style-type: none"> management of assets and liabilities market terminology and swap parameters, swap valuation Case studies
12.30–13.30	Lunch break
13.30–15.00	Basics of fixed income derivatives Interest rate options <ul style="list-style-type: none"> Caps Floors Collars Practical exercises
15.00	End of the second day of the Workshop

You can watch a short video regarding the workshop at <http://youtu.be/1mIHUb4jHVM>

Biography



Jernej Doles is the founder and managing director of Omega Finance. He was formerly general manager and chief dealer in the financial

markets department at NLB d.d. He was responsible for all of the bank's trading activities, including on the FX, money market, fixed income, derivatives, and customer desks.

He began his career at NLB at the beginning of 1990s as a trader in the financial markets.

He traded on the FX, money market, and corporate desks, and he was involved in portfolio management. In October 1997, he became head of the derivatives department, responsible for managing the derivatives desk. This provided him with a unique insight into the trading, marketing, and valuation of different derivative instruments. He was responsible for introducing new derivative instruments at the bank.

Through trading different financial instruments, he also gained a great deal of practical experiences with financial risks. Mr. Doles has many years of experience teaching and consulting on financial topics, such as derivatives, hedging portfolios, fixed income, equities, and risk management. He has held courses at different educational institutions in Europe.

For further information about Jernej Doles, please visit our website at <http://goo.gl/QCztRG>

Teaching Methods

The workshop is intended for newcomers to the world of financial derivatives. It comprises a combination of lectures, discussions, case studies, and practical workshops on the use of different FX and interest rate derivatives. Experience with derivatives is not required. However, a theoretical base in this area is welcome. In addition to the theoretical basics of derivatives, specific interesting solutions for day-to-day work will be addressed. Specific themes will move quickly and intensely from the basics of instruments to various operational

aspects of their applications. The course content is intended to provide participants with an understanding that will be of immediate practical use in the workplace. The seminar is targeted toward those who wish to participate in the subsequent "Advanced financial derivatives" workshop.

Participants are asked to bring a financial calculator (HP 17BII or similar) for calculating practical examples and exercises. Only a minimal amount of calculus knowledge is required in order to master numerical analyses and examples during the workshop.

Who should attend?

The course will be of value to professionals in the following areas:

- dealers
- risk managers
- treasurers
- corporate treasurers
- securities traders
- account officers who advise their customers
- accountants and auditors who wish to upgrade their knowledge about derivatives
- back office personnel

Summary of the Workshop

The foreign exchange market is by far the largest market in the world. It is an over-the-counter market where major currencies are traded as commodities.

Financial markets have responded to increasing price volatility in FX and interest rate markets with a range of financial products and strategies that can be used to manage different exposures of individual market participants.

Forward contracts are valuable to those with existing assets or liabilities in foreign currencies, while FX swaps are valuable to those who have liquidity in one currency but need liquidity in another currency.

Interest rate derivatives can be used to control the interest rate risk of a portfolio or financial institution, to hedge future

borrowing costs or to speculate on the future level of interest rates.

Interest rate swaps provide market participants with an effective tool for controlling interest rate risk by altering the cash flow characteristics of their assets or liabilities. In the plain vanilla swap, two parties agree to exchange interest payments at specified dates in the future.

Although futures contracts on commodities have been traded on organized exchanges since the 1650s, financial futures are relatively new, dating from the introduction of foreign currency futures in 1972.

Options can help minimize downside risk while allowing participation in the upside potential.



The workshop will be held at the Conference Centre of the Danubius Grand Hotel Margitsziget, Budapest.

One of the reasons a company may choose to use an option instead of a forward to manage their downside risk is this opportunity to participate in the upside profit potential, which is given up with forward contracts.

By using options, it is possible to take a view, not only on the direction of the price change, but also on the volatility of that price.

FX and Interest Rate Derivatives Workshop 18-19 May 2020 Budapest, Danubius Grand Hotel Margitsziget



The course will provide delegates with a thorough understanding of:

- Foreign exchange derivatives
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 - FX swaps
 - FX futures
 - FX options
- Interest rate derivatives
 - Forward/Forwards
 - Forward Rate Agreements (FRA)
 - Interest Rate Swaps (IRS)
 - Interest Rate Options (IRO)
- Basics of equity and fixed income derivatives
- Basics of derivatives pricing and valuation
- Cases of trading and hedging with derivatives

Course Director: Jernej Doles

Registration form

Yes, please register me for **FX and Interest Rate Derivatives Workshop**, on 18-19 May 2020, in Budapest.

Personal details

First name and surname: _____

Position or Department: _____

Company: _____

Address: _____

VAT number and Billing Address if different than Company Address: _____

Postal code and city: _____

Email: _____

Telephone: _____

Signature _____ Date _____

Fee: 590 EUR

Omega Finance d.o.o. is not subject to VAT tax.

The workshop is held in the English language.

Fee includes tuition, full course documentation, lunches, refreshments for the duration of the programme, and a course certificate.

Participants are responsible for their own accommodation.

*We recommend that you book your room in Danubius Grand Hotel Margitsziget, Budapest.

Online workshop registration is available at

<https://www.omegafinance.si/blog/shop/budapest/financial-derivatives/>

Registration will be accepted until 5 May 2020.

An invoice will be sent upon receipt of the registration form. Please note that payments must be received prior to the start of the course.

Sponsor details

I wish to register the delegate indicated in the personal details section opposite

First name and surname: _____

Position or Department: _____

Signature _____ Date _____

Omega Finance, izobraževanje in svetovanje, d.o.o., Mivka 28, SI-1000 Ljubljana, Slovenija



Customer information

Fee includes tuition, full course documentation, lunches, refreshments for the duration of the programme, and a course certificate. Delegates are responsible for their own accommodations. An invoice will be sent upon receipt of the registration form. Please note that payments must be received prior to the start of the course.

Data protection

The information you provide, on this form or during the course, will be safeguarded by Omega Finance and may be used to keep you informed of our products and services, including our future courses.

Disclaimer

Omega Finance, d.o.o. reserves the right to change or cancel any part of its published programme due to unforeseen circumstances. In the case of an insufficient or excessive number of participants, Omega Finance reserves the right to change the location of the seminar. Any changes must be announced at least three days before the start of the seminar.

VAT

Omega Finance d.o.o. is not subject to VAT tax.

Group booking discounts

- 2 delegates
530 EUR per delegate
- 3 or more delegates
470 EUR per delegate

VAT

Omega Finance d.o.o. is not subject to VAT tax.

Cancellation policy

A full refund will be given for cancellation requests received up to ten working days before the start of the event. Cancellation must be made in writing (letter, fax, email, or online registration) and reach the office before the ten working-day deadline. Delegates who cancel less than five days before the event, or who don't attend, are liable to pay the full course fee, and no refund will be given. However, if you wish to attend the next course, and you have paid your course in full, you will be invoiced for 10% of the new course fee. Please note that the next course must take place within six months of the initial application. Of course, a replacement is always welcome.