

**Product and Risk Skills in the FX Market**  
**Course Outline – One-day**

**Date:** 23 April 2007 Sydney

**Duration:** One-day (0900-1700)

**Level:** Intermediate

**Pre-Requisites:** Overview knowledge of Capital Markets and Derivatives.

**Fee:** AUD 995

**Learning in Teams:** For every 4 delegates you enroll onto this course, the 5<sup>th</sup> person attends FREE.

**Enrolment Deadline:** Monday April 2<sup>nd</sup> 2007

**Venue:** Details to be forwarded upon receipt of enrolment. Central Sydney CBD location.

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**Course Description:**

Globalisation of commerce has changed foreign exchange from a backwater in the financial markets to a \$2,000 billion a day volume business. Over the last two decades the number of market players has mushroomed as corporations have expanded across borders, institutions have invested outside of their home country, and speculators of all sorts have entered the markets in search of profit.

Additionally the variety of products has grown immensely. As recently as 5 years ago, many markets were limited to spot and forward dealing, but one by one they have allowed in derivative and other hybrid instruments. This has created a general need for skills and knowledge in the broader financial arena.

The following skills-based course, is offered with the purpose of acquainting financial industry personnel with the vanilla FX instruments commonly used by a variety of end-users for hedging, speculation, and as components of more complex products. It is designed and led by a former FX markets practitioner.

**Course Objectives:**

Successfully attending this course, participants will develop

- Knowledge of market price discovery across the range of vanilla FX derivatives
- Skills in applying FX swaps, forwards, and options
- Awareness of the market divergences in pricing from the theory
- Understanding of the risks attendant to dealing FX derivatives

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**Session 1: FX Forwards and Swaps**

- Pricing and Dealing
- Arbitrage Pricing Boundaries
- FX Swap Risk and Applications
- Non-deliverable Forwards

*Exercise - Arbitrage Boundary Pricing*

*Exercise - End-user Product Applications*

**Session 2: FX Options**

- Pricing and Dealing
- Volatility Component of Value
- Product Applications
- Price Sensitivities and Risk Management

*Exercise - Product Applications*

*Exercise - Risk Aspects*

**Summary Conclusion and Question and Answer Session**