



## Swaps

This course is meant for participants who want to obtain an in depth knowledge about Swaps. The learning concept couples directly the theoretical knowledge with the daily practice.

### Training Method

- Prior to the 1-day course, the participant will receive the 'Reader Advanced Swaps'. In order to be able to participate at the fullest during the course and to achieve optimum results, the participant is required to study this Reader before the course starts;
- After a 1-day intensive course where theory is illustrated with practical examples and current events, from the perspective learning-by-doing, the participant will study some real-life cases and review the results directly with the trainer;
- The course is completed with an exam. Once the participant passes the exam, he/she will receive the certificate for Swaps.

### Topics

During the course Swaps the following topics will be treated:

- **Interest Rate Swaps (IRS):**
  - General characteristics, 'fixed-for-floating', 'floating-for-floating';
  - Use and users of interest rate swaps;
  - Pricing and valuation of interest rate swaps;
  - Examples and exercises.
- **Credit Default Swaps (CDS):**
  - General characteristics of a CDS;
  - Use and users of a CDS, hedging and speculative;
  - Pricing and valuation of a CDS, probability model and no-arbitrage model;
  - Credit default swap index.
- **Currency Swaps:**
  - General characteristics of a currency swap;
  - Use and users of currency swaps;
  - Pricing and valuation of currency swaps, using the bond method and using the 'forward price' method.
- **Equity Swaps:**
  - General characteristics of equity swaps;
  - Use and users of equity swaps;
  - Pricing and valuation of equity swaps, using the 'fixed for equity'-method, the 'floating for equity'-method and the 'equity for equity'-method.
- **Dividend Swaps:**
  - General characteristics of dividend swaps;
  - Use and users of dividend swaps;



- Pricing and valuation of dividend swaps, using the 'put-call parity'-method.
- **Total Return Swaps (TRS):**
  - General characteristics of a TRS;
  - Use and users of a TRS.
- **Inflation Swaps:**
  - General characteristics of inflation swaps;
  - Use and users of inflation swaps.
- **Swaptions:**
  - General characteristics of swaptions;
  - Use and users of swaptions.
- **Institutional Investors and Swaps:**
  - Use of swaps by institutions and pension funds.

## Results

After completion of the course Swaps, the participant will be able to:

- ✓ Understand the most important characteristics of swaps;
- ✓ Comprehend who the users of swaps are and how and why these swaps are used in daily practice;
- ✓ Understand the methods of pricing and valuation of swaps;
- ✓ Comprehend the use of swaps within the institutional investors' world.

## Course Particulars

The course materials of Financial Markets are offered in the English language. The relevant material will also be available in English. Classroom training can be offered in Dutch and English language (on request).

## Literature

- Reader Advanced Swaps, ML Finance Academy
- Example cases to be treated by the trainer during the course.

<b>Study, Time and Preparation:</b>	<b>Hours</b>
• Preparation (indication)	6
• Course 1 x 8 hours	8
• Exam preparation (indication)	13
• Exam	1
<b>Total</b>	<b>28 hours</b>



This workload equals **0,5 European Credits (EC)**.

Note: this time depends on the experience of the participant and is therefore only an indication.

## Costs

Open enrolment costs are € 750 (ex VAT) per person. This includes the study material, the exam and the MLF Finance Academy trainer.

In-company courses are also available for groups from 5 up to 20 people; please contact ML Finance Academy for further information.