



CAPITAL MARKETS AND FINANCIAL INSTRUMENTS: CAMFIN CERTIFICATE

ORGANISATION SHEET

Objectives

The primary objective of this practice-driven seminar is to enable participants to thoroughly deepen their knowledge of the international capital markets, the financial instruments such as bonds, equities, repos, swaps, options and structured products: both technical and operational aspects as well as risk considerations are covered by the programme.

Methodology

In this programme is included an innovative blended learning approach that combines the efficiency of E-Learning with the effectiveness of instructor-led training (ILT):

Part 1: An **E-learning course** "International Financial Markets" (maximum duration: 12 hours) with a final non-eliminatory test.

Participants are required to take this course and pass the test with a minimum recommended score of 60% before the beginning of the second part.

Part 2: An **instructor-led training** (ILT) in Luxembourg. The ILT part of the programme is taught by industry experts, who effectively combine theory with practical examples, exercises and case studies.

The training is ending with a final written exam.

The theoretical aspects of the programme are based on the latest market standards, while examples, case studies and exercises are used to present and apply the material to realistic situations in capital markets.

Target group

This seminar targets both **front-office and back-office personnel** of banks and financial institutions with **less than 4 years of practical experience** in the industry as well as for job starters having a good basic knowledge of the markets and products. The programme is also open to anyone within the industry who would benefit from an intensive and in-depth analysis of international securities provided by specialists in the field.

Examination

Part 1: E-learning non-eliminatory test: prerequisite for the participation in the Luxembourg course.

Part 2 (in Luxembourg): the participants will have their newly acquired knowledge validated through a written exam.

Programme organised in collaboration with and validated by



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Experts

High-level training experts, members of the House of Training Quality Circle in Capital Markets. All different training units are held by selected, active professionals who have a long-term experience in banking and finance.

Language

A good command of English is required.

Participants

Participants from Luxembourg and Great Region (bordering provinces of Germany, Belgium and France) plus 15 participants selected among applicants from the following invited countries: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Cape Verde, Croatia, the Czech Republic, Egypt, El Salvador, Estonia, Georgia, Hungary, Kazakhstan, Kosovo, Latvia, Lebanon, Lithuania, Macedonia, Moldova, Mongolia, Montenegro, Myanmar, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tunisia, Turkey, Ukraine, Vietnam and the West African Economic & Monetary Union.

Dates

Part 1: The E-Learning course will be available after the selection of the participants minimum one month before the beginning of the ILT part (part 2).

Part 2 in Luxembourg:

5,5 days of seminar: 12 – 19 October 2020

- Seminar session: 12 - 16 October 2020
- Exam: Monday morning, 19 October 2020

Arrival date: 11 October 2020

Departure date: 19 October in the afternoon or Tuesday, 20 October 2020.



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CONTENT

<p>PART 1: E-LEARNING <i>International Financial Markets</i></p>
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The objective of this part is to provide the participants with a good understanding of financial markets, the financial instruments traded in them, the key players in financial markets and the activities that they perform.

The e-learning courses “International Financial Markets” and Financial Mathematics” are prerequisites for the programme CAMFIN.

Participants will have access to the e-learning course on a 24/7 basis through the Internet for a period of 6 months. Participants will be able to log-on and log-off the course as many times as they would like.

The last chapter of each e-learning course is a test, which participants are expected to pass in order to validate their knowledge.

EL - International financial markets

- Financial Markets
- Financial Instruments: Securities
- Financial Instruments: Derivatives and Investment Funds
- Market Activities
- Market Players
- Future Trends

Estimated total duration: 20 hours (sessions of 30-40 minutes each)

EL - Financial Mathematics

- General financial calculations
 - Time value and discount factors
 - Term structure of interest rates
 - Financial returns
- Statistics
 - Variance and covariance, standard deviation, market model
 - The variance components of assets in a linear regression model and some performance ratios

Estimated total duration: 8 hours (sessions of 30-40 minutes each).

The instructor-led part will start where the E-learning finishes. Completing the E-learning course with a score of at least 60%, therefore, is **a prerequisite for the ILT part** of the programme.

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PART 2:
INSTRUCTOR-LED PART in Luxembourg from October 12 to 19, 2020

Applied Mathematics on fixed income products, bonds and futures on bonds (4 hours)

- Pricing of bonds
- ICMA Bond Principles
- Term structure of interest rates
- Identifying and measuring financial risk
- Bond futures and hedging techniques

Practical applications and bond portfolio management (4 hours)

- Return expectations
- Management strategies
- Diversification
- Currency as asset class
- Performance contributors and measurement

Options & Structured products (4 hours)

- Introduction, options, yield curves
- Pricing variables
- 4 basic strategies & their risk and reward
- Exercises – using options in Portfolio Management
- Capital guaranteed structures
- Reverse convertibles
- More exotic structured products
- Pricing and Documentation –
- Beware of the dangers!
- Exercises – understanding real life products

Sustainable Finance (4 hours)

- Introduction to Sustainable Finance
- Green Social and Sustainability Bond Trends
- Market Standards
- Taxonomy and Accounting

Repos and swaps (8 hours)

- Repos : Flow chart; Terms of the agreement; Collateral; Margins; Manufactured dividend; Market participants; Repo types; GC & special
- Swaps : Definition & characteristics; Types of swaps; Market share; Currency swaps; CDS; example; IRS characteristics; IRS cash flows; IRS quotation; Curves; Swap pricing mechanics; Constructing the short end; Constructing the long end; Zero curve examples; Curve adjustments; Interpolating the curve; Intermaturity spreads; Bond hedging; Forward starting swaps; Pricer example; Currency interest rate swaps; Beyond plain vanilla swaps

Financial analysis, cross-asset (8 hours)

- Methods, tools and instruments for asset selection
- Bonds and Equities: definitions, different markets, attributes
- Stock market quotation and orders in MiFID regulated markets

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- Investment Funds: overview and fund selection methods / criteria
- Relevant websites

Risk Management (4 hours)

- The current market turmoil: origin of the crisis and features
- Choosing a risk management strategy
- The risk management framework and lessons learned during the crisis
- Organisational and operational aspects for the risk management unit
- Market risk, credit risk, operational risk and liquidity risk from the bank's perspective
- Risk systems and lessons learned during the crisis

Securities clearing, settlement and custody (4 hours)

- Debt instruments; Equities; Entitlements
- Matching; Clearing; Settlement; Custody
- Future Issues

EXAMINATION

Written test based on all covered topics

The knowledge acquired in the seminar will be validated through an examination. The examination is based on a MCQ questionnaire of around 80 questions. The required passing rate is 50%. Successful candidates will be granted a certificate.

Remark: By delivery date, any training documentation shall be subject to regular reviews and updates amending the table of content as described herein.

¹ One of the core values of the House of Training is pragmatism, the training it provides is therefore: practical, current, modular and targeted.

Bank and finance professionals from all disciplines are facing one international challenge in particular, which is to work together to improve the quality of services while reducing costs, within a framework that is increasingly subject to strict regulations and the use of technology.

In order to face the challenge of delivering fully-adapted training programmes, the House of Training uses a quality management method that it calls "Quality Circles", that bring together professionals and practitioners from the financial sector with shared goals, philosophy and passion for learning. Our quality circles have an intimate knowledge of the real needs in the industry and collaborate actively with the House of Training to integrate this understanding into our programmes.