



Programme on Financial Derivatives

November 7 – 11, 2016

Coordinators

Dr Kedar nath Mukherjee

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**National Institute of Bank Management
Pune, India**

Financial derivatives are important tools for hedging and trading the risks of financial price volatilities that are used extensively by financial institutions and corporates the world over. Indian derivatives market has been growing, not just in volume, but also in terms of the variety of products and their standardization and applications. In a volatile global financial market environment, financial derivatives are very useful instruments in safeguarding bottomlines and provide alternate investment opportunities in deepening capital markets. Learning from the financial crisis of 2008, the regulatory and accounting environment governing derivative products has also evolved rapidly.

As opposed to stifling product innovation by banning derivatives, the focus has shifted to ensure greater transparency through stringent disclosures, mark-to-market valuation of OTC products, introduction of fair valuation mechanism and reduction of counterparty credit risk by introduction of exchange-traded derivatives across risk classes and central counterparties for OTC products. All of these measures aim to enhance the market and credit risk management of derivative exposures. The Reserve Bank of India (RBI) too has proactively facilitated the use of OTC derivatives and their clearing through central counterparties, and also the introduction of exchange-traded currency and interest rate derivative products.

The gradual rise in the trading volume and market share of both OTC and exchange-traded derivatives (interest rates and FX) products in India clearly shows the importance and necessity of such instruments for Indian players as well. Given the above perspectives, NIBM's Programme on Financial Derivatives is designed to familiarize the senior and middle level officers from banks, financial institutions and corporate treasuries with various types of derivative products and to equip them with the necessary skills to structure, value and trade these products and manage the risks in their derivative portfolios.

Target Group

- ❖ **Derivative traders and dealers in treasury of banks and other FIs.**
- ❖ **Corporate treasurers.**
- ❖ **Financial control and risk management personnel.**
- ❖ **Fund managers, private bankers and investment advisors.**
- ❖ **Derivative systems developers.**
- ❖ **Regulators (RBI, SEBI, IRDA, PFRDA).**

Content

- ❑ **Basic concepts of derivatives markets.**
 - Derivatives market worldwide and in India.
 - Regulatory (RBI and SEBI) measures for use of derivatives in India.
 - Product structures (forward, futures, swaps, options).
 - Mathematical and statistical concepts (volatility, correlation, probability distribution).
 - Bond analytics and exchange rate arithmetic.
- ❑ **Product structures across risk classes.**
 - Interest rate products (forward rate agreements, interest rate swaps - OIS, interest rate futures, interest rate options).
 - Forex products (FX outright, FX swaps, cross-currency swaps, currency futures and options, FX structured products).
 - Credit derivatives (credit default swaps).
 - Equity futures and options.
- ❑ **Pricing and valuation of derivatives.**
 - No-arbitrage pricing and valuation of linear derivatives (forward, futures and swaps).
 - Option pricing (Binomial Model and Black-Scholes Model).
 - MTM valuation of forwards, futures and swaps (interest rates and FX).
 - Option Greeks (delta, gamma, and vega-based hedging).
- ❑ **Applications of derivatives for hedging.**
- ❑ **Trading strategies using derivatives.**
- ❑ **Marketing derivative products to corporate clients.**
- ❑ **Value-at-risk for derivative portfolios.**
- ❑ **Counterparty credit risk measurement.**
- ❑ **Market risk capital charges for derivatives.**
- ❑ **Accounting for derivatives under IFRS.**

Dates

November 7 – 11, 2016

The programme will begin at 9.00 am on November 7 and will conclude by 5.00 pm on November 11, 2016.

Venue

NIBM Campus, Kondhwe Khurd
Pune, India.

Accommodation

The programme is fully residential. Participants will be provided well-furnished single room AC accommodation in the Institute's hostel complex on the campus. However, they will not be permitted to bring their family members to stay on the campus. In case any Officer/Executive with physical/medical disability is being nominated, kindly inform us in advance with particulars of disability to facilitate necessary arrangements.

The Institute has facilities for outdoor and indoor games and a large walking/jogging trail for physical fitness besides a yoga centre. Participants are therefore encouraged to bring appropriate clothes/gear.

Programme Fee (per participant)

US \$ 2000 for foreign participant

(See fee structure on home page of the website for incentive)

	Fee	ST	SBAC	KKC	Fee+ST+ SBAC+KKC	TDS
Mem. Banks	35000	4900	175	175	40250	3500
Non-Mem. Banks	41000	5740	205	205	47150	4100

The fee includes the cost of tuition, board and lodging facilities, teaching material, etc. (Service Tax (ST) @ 14%, Swachh Bharat Abhiyan Cess (SBAC) @ 0.5%, Krishi Kalyan Cess (KKC) @ 0.5% and TDS @ 10%. Kindly send the TDS Certificate on priority to NIBM).

Last Date for

Receiving Nominations:

October 28, 2016

Last Date for

Availing Early Bird Incentive:

October 22, 2016

(See fee structure on home page of the website)

Nominations and Enquiries

Please address your enquiries and nominations to:

Dr Kedar nath Mukherjee

Assistant Professor

Prof Tasneem Chherawala

Assistant Professor

Programme Coordinators

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Mode of Payment for Indian Participants

- The fee may preferably be transferred by RTGS/NEFT/ECS to our A/c No. 20002400021 with Bank of Maharashtra, NIBM Branch, Pune (IFSC Code MAHB0001124). NIBM PAN No. AAATN0040P and ST No. AAATN0040PST001.
- National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

1. Name & Address of our Bankers : Oriental Bank of Commerce
C-2, Shop No. 4-5, Bramha Estate
Kondhwe Khurd, Pune 411 048
Maharashtra, India
2. Name of the Account : National Institute of Bank Management
3. NIBM's Bank Account No. : Current A/C 11281131004402
with Oriental Bank of Commerce
4. Bank's Swift Code : ORBCINBBFCP
5. Oriental Bank of Commerce A/c No. : 36152559
with Correspondent Bank
6. Preferred currency : USD
7. Correspondent Bank : CITIBANK N.A.
8. Swift code for Citi Bank : CITIUS33

*** The Foreign Bank Charges/ SWIFT charges/Commission is to be borne by the remitter. The fees mentioned in the invoice/brochure is to be paid to NIBM, net of all bank charges.**

***Payments will be accepted only through electronic mode.
Cheques/DDs/Pay Orders will not be accepted.**

- For all electronic remittances, kindly send a confirmatory e-mail at: accounts@nibmindia.org giving details of the remitter and participant, name and dates of programme, etc.

Please see programme fee structure on home page of the website for early bird incentive, incentives for SAARC and other developing countries, mode of remittance, Pune City route map and local conveyance.