

Futures, Options and Exchange Traded Funds – Concepts, Applications and Risk considerations

The seminar provides participants with a comprehensive understanding of the newer financial products – Futures, Options and Exchange Traded Funds, in the market place. It covers the usage of key mathematical concepts in trading these financial products; the types of market measures; the principles involved in trading and the clearing processes. Participants will be better positioned with their acquired insights to apply and meet their respective organisation's objectives.

Dates

13 & 14 May 2002

Time

9:00am to 5:00pm

Who should attend

Fund managers, dealers/remisiers, investment analyst, corporate treasurers, accountants/auditors, operations and settlement personnel and risk management personnel.

Synopsis

- Financial mathematics covering interest compound methods; fixed income instrument pricing and yield relationships; notion of duration and convexity; yield curves and composites
- Types of market measures: interest rates; bonds; equity indices and individual equities; currencies and other developing measures
- Principles of trading Financial Futures: definitions; futures contract specifications; pricing; costs of carry; convenience yield; basis, Contango and backwardation; Futures application and risk considerations
- Principles of trading Financial Options: definitions; types; pricing such as Black-Scholes and Cox-Ross-Rubinstein pricing models; put-call parity; common terminology; time-value; Vanilla option structures including call spreads, put spreads, straddles, combinations, strangles, risk-reversals, calendar spreads and other Vanilla structures; Option applications and risk considerations
- Principles of trading Exchange Traded Funds (ETFs): definition; examples of ETFs such as Unit Invest Trusts, Open-ended Index Funds and Grantor Trusts; features of ETFs; ETFs applications and risk considerations
- Clearing principles: definition and purpose; registration and novation; guarantee, margin requirements, closing out a contract; exercising and assignment of Options; transaction costs and settlement process.

Seminar Facilitator

Dr. Jeffrey C. K. Lim, *certified Financial Risk Manager (FRM¹)* and *certified Professional Risk Manager (PRM²)*, is currently the Managing Director of **PI ETA Consulting Company**, a Treasury & Financial Risk Management Consulting Company.

A Chartered Scientist (**C.Sci.**³), a Chartered Mathematician (**C.Math.**⁴) and an elected Fellow of the Institute of Mathematics and Its Applications, U.K. (**FIMA**), Jeff earned his **Ph.D.** in Stochastic Financial Modeling from the University of Cambridge in England. Jeff's research interest at Cambridge was in the area of Arbitrage Opportunities occurring in the Mispricing of Financial Options, and his original research culminated in the publication of his doctoral dissertation entitled: "Multi-period Mean-Variance Option Portfolio Strategies".

Jeff was an authorized Securities & Financial Derivatives Representative in London, having been certified by The Securities and Futures Authority (SFA) in England, where he started his career as a Derivatives Analyst with Nomura International in London, England. He subsequently joined NatWest Markets from London to become its Head of Currency Structured Products for South and South-East Asia. Jeff then moved to American Express Bank to become its Director of Structured Products, prior to assuming his current position.

Jeff has also contributed to the development and enhancement of talent and infrastructure for Singapore's financial center as a guest Professor at the National University of Singapore's Center for Financial Engineering, where he was responsible for the curriculum of its Master of Science degree program's core modules in Financial Derivatives and Treasury Management.

At PI ETA Consulting Company, Jeff was Principal Inventor in two of the Patents that the company currently holds – one in Treasury & Financial Risk Management Systems, and the other in Knowledge Management Systems.

Professionally, Jeff is a Fellow of both the Global Association of Risk Professionals (GARP), U.S.A. and the Professional Risk Managers International Association (PRMIA), U.S.A. He is also a Fellow of the Cambridge Philosophical Society, U.K.. Jeff is also honoured to be a Fellow of The Cambridge Commonwealth Society, U.K., having been previously awarded the Cambridge Commonwealth Trust and the Shell Group of Companies Doctoral Research Scholarship.

¹ The *Financial Risk Manager* (FRM) designation is awarded by The Global Association of Risk Professionals (GARP), U.S.A.

² The *Professional Risk Manager* (PRM) designation is awarded by The Professional Risk Managers International Association (PRMIA), U.S.A.

³ The *Chartered Scientist* (C.Sci.) designation is awarded by The Science Council, U.K.

⁴ The *Chartered Mathematician* (C.Math.) designation is awarded by The Institute of Mathematics and Its Applications (IMA), U.K.

Closing date for registration

29 April 2002

Seminar Fee

S\$ 2,266.00 (GST inclusive)

Fee covers programme materials, lunch and tea breaks.

To register, simply complete the Seminar Registration Form, attach cheque for seminar fee made payable to

Singapore Exchange Limited

and mail to:

SGX Education Department

Singapore Exchange Limited

2 Shenton Way

#19-00, SGX Centre 1

Singapore 068804

Note:**Cancellation and transfer policy**

All requests for cancellation must be made in writing at least 10 business days prior to the seminar and a full refund (less the administrative fee of 10% of total seminar fee) will be made. No refunds will be made for cancellations received less than 10 business days prior to the seminar.

All requests for replacement must be made in writing at least 3 business days prior to the seminar.

Changes

Singapore Exchange reserves the right to make changes to the time, date, venue, syllabus, speaker or cancel the seminar if warranted by circumstances beyond its control.

Enrolment

This is subject to receipt of full payment by Singapore Exchange and the availability of seats in the class.

Seminar Registration Form

Futures, Options and Exchange Traded Funds – Concepts, Applications and Risk considerations

Name:

Designation:

Company:

Mailing Address:

Postal Code:

Tel: (H)

(O)

HP/Pgr:

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