



Peter Skerritt & Associates
Derivatives & Financial Risk Specialists

STRUCTURING & MARKETING DERIVATIVE SOLUTIONS



“Given the significant impact that a hedge strategy can have on the results of an organisation, it is surprising what little attention is given to this important decision”

Deloitte

Overview

This highly practical workshop is aimed at treasury corporate dealers and relationship managers, who wish to acquire a sound understanding of how risk management instruments can be successfully applied to the needs of their corporate clients. It is also suitable for corporate clients themselves, who wish to explore the pricing and application of these instruments, in significant detail.

The focus of the programme is on the structuring and application of appropriate derivative hedging solutions in the foreign exchange, interest rate and commodity markets.

The workshop also conducts a detailed examination of the typical concerns and objectives of corporations, when managing financial exposures, as well as regulatory imperatives and best practices for providing suitable hedging solutions to a range of buy-side clients.

The programme comprises a series of live webinars, followed by practical modelling exercises using Excel. There are also a number of relevant real-life case studies for the delegates to examine and discuss.

Learning Outcomes

- Gain a typical corporation's eye-view of exposure management
- Identify and quantify corporate financial risks
- Assist with the formulation of a corporate hedging policy
- Understand the risks and rewards of forward- and option-based hedging instruments
- Create and price customised hedging structures
- Calculate the impact on earnings and cashflow of different hedging strategies
- Provide value-added advice regarding dynamic adjustment of hedges
- Differentiate between 'the good, the bad and the ugly' hedging solutions
- Examine the risk and reputational issues of selling and using derivative products and the relevant regulatory requirements
- Identify the counterparty credit risk implications of treasury products and popular mitigants, including the ISDA Master Agreement and collateralisation

Facilitator

Peter Skerritt

Peter has spent over three decades in the financial markets as a derivatives trader, financial engineer, author, and trainer, with experience in Europe, The United States, The Middle East, and Africa. He has worked extensively with large and medium-sized corporations in the development of a range of vanilla and exotic hedging solutions, and he has coached several generations of corporate dealers, relationship managers and derivative traders.

Programme

The programme runs over six half-day sessions between 5 and 26 April 2022.

The schedule can be found in the Appendix to this document.

Workshop Methods

The workshop comprises a series of live presentations via Microsoft Teams, followed by practical exercises and case studies.

Extensive use is made of Excel-based models.

Equipment

Each Learner requires access to the following:

- A desktop or laptop with a current version of the Microsoft Office suite.
- A second computer screen OR smartphone.

Prior Learning Requirements

The workshop is presented at an intermediate level, and it is important, therefore, that delegates already possess a basic understanding of cash and derivative instruments.

To ensure that these prior learning requirements are met, pre-course reading and a multiple-choice self-assessment are provided.

Fee

The cost of the workshop per delegate is R 10,950.

VAT at 15% will be levied on invoices to South African residents.

Booking Details

To reserve a place, please contact the Programme Director, Lerato Metseeme:

lerato@peterskerritt.com

Appendix: Programme Schedule

5 April

08h00 Identifying and measuring financial risks
08h45 Break
09h00 The hedging decision
09h45 Break
10h00 Corporate FX risk management
10h45 Break
11h00 Measuring FX exposures
11h45 Break
12h00 Vanilla and non-vanilla FX forwards
12h45 Close

8 April

08h00 FX swaps
08h45 Break
09h00 Creating synthetic assets and liabilities
09h45 Break
10h00 Corporate interest rate management
10h45 Break
11h00 Measuring interest rate exposures
11h45 Break
12h00 FRAs and IRS
12h45 Close

12 April

08h00 Bootstrapping a zero-coupon derivative curve
08h45 Break
09h00 Pricing vanilla IRS
09h45 Break
10h00 Non-vanilla IRS
10h45 Break
11h00 IRS valuation techniques
11h45 Break
12h00 Currency swaps
12h45 Close

20 April

08h00 Pricing CCBS
08h45 Break
09h00 Commodity risk management
09h45 Break
10h00 Commodity forwards and futures
10h45 Break
11h00 Commodity swaps
11h45 Break
12h00 Option-based hedging solutions
12h45 Close

22 April

08h00 Option pricing
08h45 Break
09h00 Option strategies
09h45 Break
10h00 Option strategies (cont.)
10h45 Break
11h00 Popular exotics
11h45 Break
12h00 Structured products
12h45 Close

26 April

08h00 Counterparty credit risk
08h45 Break
09h00 Measuring and mitigating CCR
09h45 Break
10h00 Suitability and disclosure
10h45 Break
11h00 Client presentations
11h45 Break
12h00 Client Presentations
12h30 Programme review
12h45 Close