



# BOND VALUATION & TRADING MASTERCLASS



## Virtual Learning Programme

This live, virtual workshop provides a highly practical opportunity to analyse the key instruments of the cash bond markets.

The programme makes extensive use of spreadsheets to model and simulate bond trading and portfolio management, in order for the delegates to examine the practical cashflow and risk management imperatives confronting participants in these markets.

The delegates are required to select, price and manage portfolios of benchmark instruments against the backdrop of a volatile yield curve and fast-changing sentiment and liquidity conditions.

A key focus of the learning is on the construction and use of practical yield curves, utilising popular methodologies in both developed and emerging market environments.

## Dates

The workshop comprises six sessions on the following dates:

12, 15, 19, 22, 26 & 29 February 2024

Please see below for details of the programme and dates.



## The workshop is suitable for the following market participants:

Bond traders

Fixed income salespersons

Relationship managers

Pension fund trustees

Asset managers

Risk managers

Regulators

Systems developers

Information vendors



**12.02.2024**

**15.02.2024**

**19.02.2024**

**22.02.2024**

**26.02.2024**

**29.02.2024**

# 10

## Virtual Programme Key Outcomes

Understand the available instruments, conventions and methodologies for constructing short- and long-term yield curves

Construct a zero-coupon bond curve

Understand advantages and disadvantages of popular interpolation techniques

Price a range of short- and long-term cash fixed income instruments

Construct a portfolio containing fixed income instruments subject to a specific investment mandate

Conduct instrument and portfolio valuation in illiquid markets

Manage the liquidity requirements of a fixed income portfolio using short-term cash instruments and repurchase agreements

Profitably trade fixed income portfolios against a range of yield curve shifts, twists and changing liquidity conditions

Discuss and implement different yield curve strategies to maximise portfolio returns

Calculate and use key risk measures, including duration, PV01, convexity and Value-at-Risk (VaR)



**Facilitator**

## **George Van der Westhuizen**

George has extensive practical experience of the local and international fixed income markets, having worked for many years as a fixed income cash and derivatives trader for one of the largest banks on the continent.

He is now a full-time training consultant, specialising in fixed income and asset/liability management.

### **Workshop Methods**

The workshop is conducted via live webinars on Microsoft Teams.

The workshop comprises a number of expert-led theory sessions, followed by extensive simulation of real-life bond portfolio valuation, trading and risk management.

Delegates are assumed to already possess a basic understanding of Microsoft Excel.



### **Pre-Course Preparation**

Delegates should possess a sound understanding of basic interest rate theory and mechanics, and they should already be familiar with the basic features of cash fixed income instruments.

Pre-course reading and self-assessments are provided to ensure that these prior learning requirements are met.

### **Post-Assessment**

The workshop culminates in an assessment in the final session, in order to verify that the learning outcomes have been achieved.

### **Each Learner requires access to the following:**

A desktop or laptop with a current version of the Microsoft Office suite, and fully enabled with the Microsoft Teams App and a Webcam.

A second computer screen OR smartphone.

## Programme



Please see below for the programme schedule and dates.

# 6

The programme comprises six half-day sessions, Monday's & Thursday's from 09.00-12.00 SAST (UTC+2)



## The Fee

The fee is USD 1 095.00 per Delegate.

Organisations registering two or more candidates will receive a 10% discount.

South African Residents will be additionally charged VAT at 15%.

The fee includes the following:

Expert live webinar facilitation

Spreadsheet models

Copies of slides



Programme Director

## Contact Us

To arrange a programme, please contact our Programme Director, Lerato Metseeme

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# ■ Programme

## Session 1 : 12 February

09.00 The Term Structure of Interest Rates  
09.45 Break  
10.00 Selecting Local Currency  
Benchmark Instruments  
10.45 Break  
11.00 Nelson-Siegel-Svensson  
12.00 Close

## Session 2 : 15 February

09.00 Interpolation Techniques  
09.45 Break  
10.00 Constructing a Zero-Coupon Bond  
Curve: Monotone Convex Model  
10.45 Break  
11.00 Bond Pricing: Generic Concepts  
12.00 Close

## Session 3 : 19 February

09.00 Bond Pricing: Pricing from Curves  
09.45 Break  
10.00 Eurobonds  
10.45 Break  
11.00 Portfolio valuation  
12.00 Close

## Session 4 : 22 February

09.00 Portfolio Management: Liquidity  
09.45 Break  
10.00 Portfolio Management: Risk  
Measures (PV01, Duration, Bucket Risk)  
10.45 Break  
11.00 Portfolio Management: Scenario  
Analysis  
12.00 Close

## Session 5 : 26 February

09.00 VaR: Single Instrument  
09.45 Break  
10.00 VaR (cont.): Portfolio  
10.45 Break  
11.00 Trading the Curve  
12.00 Close

## Session 6 : 29 February

09.00 Credit Spreads  
09.45 Break  
10.00 Trading the Curve (cont.)  
10.45 Break  
11.00 Assessment  
11.45 Review and Prize-Giving  
12.00 Close