



Peter Skerritt & Associates



BOND VALUATION & TRADING MASTERCLASS

VIRTUAL LEARNING
PROGRAMME

e-PAL

About the 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.

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

Workshop

Methods:

The workshop is conducted via live virtual workshops 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.

Dates:

The workshop comprises six half-day sessions between 9-25 October 2024.

Please see below for more details of the programme and dates.

Please note that the times included in the schedule are based on SAST (UTC +2).

Virtual Programme Key Learning Outcomes:

- 1) Understand the available instruments, conventions and methodologies for constructing short- and long-term yield curves
- 2) Construct a zero-coupon bond curve
- 3) Understand advantages and disadvantages of popular interpolation techniques
- 4) Price a range of short- and long-term cash fixed income instruments
- 5) Construct a portfolio containing fixed income instruments subject to a specific investment mandate
- 6) Conduct instrument and portfolio valuation in illiquid markets
- 7) Manage the liquidity requirements of a fixed income portfolio using short-term cash instruments and repurchase agreements
- 8) Profitability trade fixed income portfolios against a range of yield curve shifts, twists and changing liquidity conditions
- 9) Discuss and implement different yield curve strategies to maximise portfolio returns.
- 10) Calculate and use key risk measures, including duration, PV01, convexity and Value-at-Risk (VaR)

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-Course Assessment:

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

Requirements:

Each learner requires access to:

- A desktop computer or laptop with a current version of the Microsoft Office suite, fully enabled with Microsoft Teams, and a webcam.
- A second computer screen OR smartphone.

Fee:

The cost of the workshop per delegate is **USD 1 095.00.**

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

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

The fee **includes:**

- Expert live virtual facilitation
- Spreadsheet models
- Copies of slides

Contact Us:

To arrange a programme, or for enquiries, please contact our Programme Director, Lerato Metseeme.

Email: lerato@peterskerritt.com

Phone: (+27) 11 884 9910



Lerato Metseeme
Programme Director

Facilitator:

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.



George Van der Westhuizen
Facilitator

Please see below for the programme schedule.

Programme:

Session 1: 9 October

09h00 The Term Structure of Interest Rates
09h45 Break
10h00 Selecting Local Currency Benchmark Instruments
10h45 Break
11h00 Nelson-Siegel-Svensson
12h00 Close

Session 4: 18 October

09h00 Portfolio Management: Liquidity
09h45 Break
10h00 Portfolio Management: Risk Measures (PV01, Duration, Bucket Risk)
10h45 Break
11h00 Portfolio Management: Scenario Analysis
12h00 Close

Session 2: 11 October

09h00 Interpolation Techniques
09h45 Break
10h00 Constructing a Zero-Coupon Bond Curve: Monotone Convex Model
10h45 Break
11h00 Bond Pricing: Generic Concepts
12h00 Close

Session 5: 23 October

09h00 VaR: Single Instrument
09h45 Break
10h00 VaR (cont.): Portfolio
10h45 Break
11h00 Trading the Curve
12h00 Close

Session 3: 16 October

09h00 Bond Pricing: Pricing from Curves
09h45 Break
10h00 Eurobonds
10h45 Break
11h00 Portfolio Valuation
12h00 Close

Session 6: 25 October

09h00 Credit Spreads
09h45 Break
10h00 Trading the Curve (cont.)
10h45 Break
11h00 Assessment
11h45 Review and Prize-Giving
12h00 Close