Global Markets Program

Changes noted in this color - particularly #12 and onwards

Background

Markets are a fascinating field and most of us are familiar with some part of it because events from the financial world are very much on the front page. Professionals working in the space need to go beyond a common-sense understanding and gain some expert exposure to the subject area.

A deeper understanding is no less fascinating - especially if explained in context and with a practical sense of its application

Duration: **24 Hours**

Program Detailing

1. **The Global Markets LoB** **30 m**
   a. Global Markets: presence & contribution in BofA
   b. Typical Customer profiles in Global Markets
   c. How customer needs are met in Global Markets

2. **An Introduction to Financial Assets:** **45 m**
   a. Equity,
   b. Fixed Income,
   c. Money Market Instruments,

3. **Other Assets:** **30 m**
   a. Cash,
   b. Currency & Forex,

4. **Getting investors on board:** **1 hr**
   a. Private markets
   b. Public markets
   c. Listing

5. **Role & Function of Secondary Markets:** **1 hr**
   a. Listing
   b. Listing obligations
   c. Trading of securities
   d. Markets and Settlements

6. **Securities Identifiers:** **15 m**
   a. CUSIP
   b. SEDOL
   c. ISIN

   d. The difference between Equity and Fixed Income identifiers
   e. Currency Identifiers

7. **Benefits of owning investments (Corporate Actions): 45 m**
   a. In Equity: Dividends, Bonus, Rights only
   b. In Fixed Income: Coupons & Maturity

8. **Funds: 2 hrs**
   a. Asset Classes
   b. Fund by structure
   c. Fund by characteristics
      - (hedge funds, private equity fund, venture capital fund, Mutual Funds, open-ended, closed-ended, UIT
   d. ETFs
   e. The Asset Management Industry

9. **Markets 4 hrs**
   a. The elements in Markets
   b. The reason for Markets to exist
   c. Market Structure & Entities
   d. The Data in Markets
   e. Types of Data
   f. Structure of the Universal Bank
   g. The Sell Side firm/The Buy Side firm
   h. Market Makers & Market Users
   i. Orders & Trades
   j. The Market in operational terms
   k. The Ecosystem of an Exchange/The Ecosystem of OTC trades
   l. Trade Reporting

10. **Equity Trade Lifecycle 2 hrs**
    a. Equity traded on the stock exchange
    b. US T+2: The switch to T + 1; timelines and preparation
    c. Target2Securities
    d. Institutional Market Participants and their trades
    e. Proprietary & Agency trades; Systematic Internalisation
    f. Arbitrage
    g. High frequency & Algorithmic trading
    h. Equity settlements outside an exchange

11. **Trading Bonds 1 hr**
    a. Interest Accrual in Bonds
    b. Clean Price & Dirty Price
    c. Bond trading and settlement
    d. Trade Reporting

12. The Trade Lifecycle **4 hrs**

a. Why Clients Engage with Global Markets
b. Pre-Trade
    i. Pre-sales, research and strategies and ideas
    ii. Client Onboarding
    iii. Contracting
    iv. Reference Data
    v. Risk at this stage
c. The Trade
    i. Orders & Trades: the difference
    ii. Order Management
    iii. Order Execution - selection of execution venue
    iv. Trade Capture
    v. Risk at this stage
d. Post-Trade Pre-Settlement
    i. Confirmation
    ii. Affirmation of Confirmations
    iii. Mismatches and Escalation
    iv. Risk at this stage
    v. Settlement
    vi. Funding
    vii. Clearing
e. Settlement
    i. Settlement Fails
    ii. Consequences of Fails
    iii. Risk at this stage
f. Post Settlement
    i. P&L
    ii. Risk
    iii. Accounting
    iv. Risk at this stage

13. Introduction to Derivatives **2 hrs**

a. Underlying Asset and Derivative Asset
b. General usage/Building blocks/Exotic derivatives
c. Purpose of Derivatives
d. Derivative Types - main features
    i. Forwards
    ii. Futures
    iii. Options
    iv. Swaps
e. Asset Classes: main characteristics
    i. Currency
    ii. Rates
    iii. Credit Risk

    iv. Commodities
    v. Equities

14. Derivatives: Applications & Examples **4 hrs**

a. Forwards & Futures
    i. Fx Forward and Currency Futures
    ii. Forward-Forward, FRA and Interest Rate Futures
b. Options
    i. Equity Index
    ii. Interest Rates
    iii. Currency Options
    iv. Options on Commodities
c. Swaps
    i. Interest Rate Swaps
    ii. Basis Swaps
    iii. Cross-currency swaps
    iv. (Why an Fx Swap is not a swap and how to remember that)
d. Credit Default Swaps
    i. Single-Name CDS
    ii. Basket CDS
    iii. CDS Indexes

End of Program: 30 things you ought to know at the end of this day! *(MCQ Test)*

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