

Capital Market Immersion Certification

Program Description

The Capital Market Immersion program provides a solid and deep introduction of the capital markets, and is designed to provide professionals with a solid understanding of the functions and roles played by modern financial institutions and their key lines of business, as well as foundational knowledge of the industry's basic products and service functions.

The program's framework consists of lectures covering 7 separate topics:

The Capital Markets Road Map: Highlights the primary participants, issuers, investors, intermediaries in capital markets, what they trade there, and the applications to which market participants make use of the instruments and the roles they play.

Fundamental Financial Math: Introduces you to a wide variety of calculations and related concepts that are used by financial market participants in a plethora of applications – calculating prices, rates of return, and yields for example.

Yield Curve Dynamics: Covers a variety of issues relating to yield curves, their construction, and their use in a variety of analytical applications to assess risk and return.

Fixed Income Securities: Introduces you to the market for fixed income securities, provides you with a lot of details on the characteristics of fixed income securities in general, as well as discuss specific characteristics of specific sectors of the fixed income market – insurers, investors, and a wide variety of concepts relating to the analysis and validation of those securities.

Equity Products: Introduces equities by providing an overview of the types of products, including both direct and indirect products; and demonstrating types of shares and exchanges, investors, diversification, and volatility.

Futures & Options: Introduces derivatives in general, to demonstrate the common features of derivatives and how they differ from other sorts of financial instruments. Futures and options contracts' key characteristics will be identified, and contract features, pricing, applications, risk management, and hedging will be discussed.

Interest Rate Swaps: A look at interest rate swaps in detail. First, swaps in general are introduced, then the structure of the most common type of interest rate swap – the fixed or floating interest rate swap – will be addressed. A variety of different structures, pricing and valuation, and applications – both risk management and speculative – will be discussed.

In all, there are 142 total lectures (video clips) and over 24 hours of total viewable content. This program also includes supplemental PDFs as downloadable attachments that you can use to follow along with each lecture's instructor.

We have assessed our clientele thoroughly in order to design a program that includes all of the necessary elements of capital markets, designed toward an approach that enables you to accomplish the key takeaway of becoming fully immersed with a high level understanding of capital market industry, products, and roles.

Who Should Enroll

- Analysts and associates in commercial, corporate and investment banking.
- Relationship managers (0-5 years) in commercial, corporate and investment banking.

Modules and Components In Curriculum

Section One: Capital Markets Road Map

- Major Market Segments and Types of Instruments (11:58)
- Economic Functions of Capital Markets (10:40)
- Securities Markets and Important Market Participants (13:31)
- Commercial Banking and Investment Banking (11:45)
- Primary and Secondary Markets (8:32)
- Primary Market Offerings (10:46)
- Roles of Financial Intermediaries (12:01)
- Comparing Securities to Derivatives (12:42)
- Introduction to Fixed Income Securities (10:03)
- Fixed Income Securities: Sources of Return and Types of Risk (11:15)
- Government and Government Agency Securities (10:51)
- Corporate Securities and Structured Securities (10:16)
- Bond Pricing and Valuation (11:05)
- Yield Curves, Credit Markets, and the Business Cycle (10:21)
- Yield Curves, Monetary Policy, and the Real Economy (10:51)
- Introduction to Equity Securities (12:07)
- Investment Characteristics and Valuation of Equity Securities (9:18)
- Valuation of Equities Using Earnings Multiples (P/E Ratios) (11:21)
- Currency Markets and Factors Affecting Exchange Rates (10:48)
- Types of Derivative Contracts and Economic Exposures (10:21)
- The Real Meaning of "Derivatives" and Their Use in Managing Risk (12:06)
- Quiz 1: Capital Markets Road Map Assessment

Section: 2: Fundamental Financial Math

- Interest Rates and Yields (10:38)
- Interest Rates and Rates of Return (10:32)

- Interest Rate Conventions and Time Value of Money Part 1 (9:51)
- Interest Rate Conventions and Time Value of Money Part 2 (10:43)
- Compound Interest (10:58)
- Time Value of Money and Bond Pricing (10:31)
- Pricing Zero Coupon Bonds (9:00)
- Pricing Coupon Bonds (11:14)
- Bond Pricing Versus Bond Valuation (8:34)
- Pricing Discount Securities (10:09)
- Discount Rates Versus Bond Equivalent Yield (9:45)
- Bond Yields (9:55)
- Yield to Maturity (9:03)
- Yield to Maturity Versus Rate of Return (10:06)
- Yield to Maturity as an Expression of Current Value (7:50)

Section: 3: Yield Curve Dynamics

- Introduction to Yield Curves (9:44)
- Types of Yield Curves and Yield Curve Spreads (9:42)
- Introduction to Duration (7:52)
- Types of Duration (11:20)
- Modified Duration (9:07)
- Duration Illustration (10:20)
- Duration of Callable Bonds (10:19)
- Yield Curve Shapes and the Level of Interest Rates (8:16)
- Yield Curve Theories (11:09)
- Yield Curves and the Business Cycle (9:48)
- Spot Rates and Spot Rate Curves (9:58)
- Calculation of Spot Rates (9:17)
- Bond Valuation and Rich/Cheap Analysis (11:18)
- Treasury Strips and the Strip Rate Curve (11:19)
- Forward Rates (10:01)
- Calculating Forward Rates (10:27)
- Forward Rate Applications (5:07)
- Total Return Analysis (10:59)
- Total Return Analysis Illustration (9:55)

Section: 4: Fixed Income Securities

- Introduction to Fixed Income Securities and Markets (10:17)
- The Primary Market: Issuing Bonds to Borrow Funds (10:41)
- Similarity of Bonds to Loans & Bond Valuation Issues (11:10)
- Bond Contract Features (11:11)
- Bond Coupons, Accrued Interest, and Bond Pricing Conventions (12:03)
- Day Count Conventions & Bond Retirement (12:25)

- Types of Risk (10:38)
- Sources of Return & Bond Yields (12:08)
- Bond Yields, Yield to Maturity and Rate of Return (8:24)
- Yield Curves (8:46)
- Yield Curves & Government Securities (10:06)
- Government Bonds & US Treasury Securities (12:16)
- Corporate Fixed Income Securities (11:38)
- Credit Risk of Corporate Securities & Trust Indentures (8:56)
- Secured and Unsecured Bonds (12:29)
- Convertible Securities (12:06)
- Preferred Stocks & Introduction to Structured Securities (9:42)
- Asset Securitization & Introduction to Mortgage Backed Securities (10:17)
- Mortgage Backed Securities (11:29)
- CMOs & Introduction to Asset Backed Securities (9:38)
- Credit Card and Auto Loan Asset Backed Securities (9:22)
- Collateralized Debt Obligations (11:22)
- CDOs and Money Market Instruments (11:44)
- Agency Securities & Regional/Local Government Debt Securities (10:42)

Section: 5: Equity Products

- Types of Products/Shares (10:27)
- Buying Shares & Equities (8:03)
- Tesco Example (7:59)
- Types of Shares and Exchanges (11:23)
- Depository Receipts (7:04)
- Types of Investors, Diversification, and Volatility (7:03)
- Types of Indices Part I (7:23)
- Types of Indices Part II (8:52)
- Tracking Funds (10:13)
- Exchange Traded Funds (ETF's) (6:57)
- Introduction to Derivatives (7:07)
- Forward Contracts (6:42)
- Futures (13:18)
- Equity Swaps (7:57)
- Options (12:32)
- Structured Products (Warrants, Certificates, and Notes) (15:43)

Section: 6: Futures & Options

- Types of Derivative Contracts and Their Characteristics (10:44)
- Derivatives Compared to Securities (9:16)
- Derivatives Defined (9:37)
- Futures Terminology and Contract Features (9:17)

- Physical Delivery to Close a Futures Position (9:10)
- Cash Settlement, OTC Derivatives (11:59)
- Futures Clearinghouse and Third Party Contracts (10:32)
- Futures Margins and Futures Contracts (11:09)
- Clearinghouse and Futures Trades (11:07)
- Comparing Futures Versus Underlying Positions (10:11)
- Futures Position Cash Flows and Hedging with Futures (10:16)
- Futures Positions: Risk and the Cost Taking Position (9:39)
- Cost of Carry/Carrying Charges (11:01)
- Cost of Carry Pricing and The Forward Pricing Curve (17:23)
- Option Fundamentals: Contract Features and Terminology (7:33)
- Option Contract Example: Long Call Positions (8:55)
- Option Pricing Basics (11:59)
- Time Value, Intrinsic Value and Moniness (12:06)
- Short Option Positions (9:04)
- Investment Characteristic of Options (13:32)
- Overview of Long Put, Short Call and Short Put Positions (8:04)
- Option Pricing and Sensitivities (Option "Greeks") (8:38)
- Option Deltas (8:21)
- Delta Hedging (7:52)
- Delta Neutral Hedging Example (9:19)
- Black-Scholes and Option Volatility (Vega) (9:41)
- Implied Volatility and Volatility Trading (11:09)

Section: 7: Interest Rate Swaps

- Introduction of Swaps (10:04)
- Interest Rate Swap Basics (8:56)
- Interest Rate Swap Contract Features (10:22)
- Fixed for Floating Interest Rate Swaps (10:36)
- Periodic Settlement Payments on Interest Rate Swaps (9:30)
- Hedging Cash Flow Uncertainty with Interest Rate Swaps (10:08)
- Net Interest Cost of a Synthetic Fixed Coupon Bond (11:38)
- OTC Clearinghouses (11:56)
- Cleared Swaps Versus OTC Swaps Ex-Clearinghouse (10:59)
- Functioning of OTC Clearinghouses (10:42)
- Terminating a Swap Before Maturity (10:02)
- Interest Rate Swap Pricing (11:01)
- Pricing Fixed for Floating Interest Rate Swaps (10:48)
- Valuing Swaps, Hedging Cash Flow Uncertainty (13:17)
- Managing the Cash Flow Risk of Fixed and Floating Rate Assets (9:48)
- Basis Swaps (Fixed Versus Floating Swaps) (7:39)
- Capital Market Equivalents for the Fixed and Floating Rate Payers (9:13)

- Value Hedging, Asset Swaps (11:28)
- Variations in the Structure of Interest Rate Swaps (10:47)
- Structuring and Pricing Basis Swaps (8:54)

What You Will Learn

Upon completion of this certificate program, you will be able to:

- Apply all the concepts of financial math, including NPV, IRR, PV, FV, to real business problems.
- Describe the players, products, markets and applications of capital markets instruments.
- Interpret the meaning of yield curves and how financial markets and instruments drive pricing.
- Explain the full range of fixed income instruments, their issuers and investors, and the ways these instruments are structured.
- Detail equity markets products, players and market dynamics.
- Determine uses and applications of futures and options.

Certification Assessment

One or more Mastery Tests and Assessment Activities are required for each subject in this certification. The goal of the tests and activities is to ensure delegates are able to apply their knowledge and skills to real industry situations. Mastery Tests are administered in person. Assessment Activities may include one or more or combination of case studies; exercises; project work; essays; and, reports.

Course Completion Requirements

- Delegates must successfully complete all core subjects (a total of 14 credits) within one and a half (1.5) years of the initial date of enrolment. Typical delegates can achieve this qualification within 4 – 7 months.

Course Admission Requirements

Delegates must be working or intending to work in the financial market sector.

Other Intermediate Certifications

The Capital Market Immersion Certification provides successful delegates the core knowledge required in the financial services sector. Intermediate and Advanced specialized tracks are available to build on this foundation with advanced specialization and certifications in:

- Comprehensive Risk Management in Banking and Financial Institutions
- Wholesale Banking and Corporate Finance
- Operations in Investment Banking and Securities Markets
- Global Financial Instruments and Applications
- Treasury Management and Money Market Operations
- Private Banking and Wealth Management

For more information, customization, pricing and scheduling options, contact:

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