



**PENHALLOW ASSOCIATES LIMITED**  
**A Financial Knowledge Company**



## **An Introduction to the Derivatives Markets**

**Virtual Learning: Duration 2 Hours,**  
**Course Price: £210 plus VAT**  
**2.9.24 (13:00:15:00)**

**Location: (UK) Virtual Learning Live Environment via Video Communication.**

***To book, or, require more information. Please contact Alan Penhallow;***

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***This programme may be of interest to your colleagues.***

**[www.penassco.co.uk](http://www.penassco.co.uk)**

### **Course Overview**

Barings, Societe Generale, AIG, JP Morgan...venerable Financial Institutions damaged, some to the point of bankruptcy, by unauthorized Derivatives trading activity. In each case it was not Trader inexperience that was the problem, but supervision & Risk Management. These short programs, designed for those who are new to finance and for those who may be involved with Derivatives products for the first time, offer an insight into the practical applications of these much misunderstood Financial tools.

## **Program 1**

- The origins of Derivatives. What are they exactly, who uses them & why?
- Exchange Traded vs Over the Counter instruments – A changing world. Central Counterparties
- Vanilla vs Exotic derivatives; Cash vs Physical settlement
- Inherent risks with Derivatives - what could possibly go wrong?

## **Program 2**

- Options defined & terminology
- The asymmetry of risk; Intrinsic vs Time Value
- In, At & Out of the Money Options
- Credit Default Swaps – A tool for Bond Fund Managers
- Futures - Referencing the underlying Markets (from Equities to Commodities)
- Initial & Variation Margin; Leverage, Function of the Clearing House

## **Learning Outcomes**

By attending this course participants will be able to appreciate the links between the underlying 'Cash' Markets & their respective Derivative Markets. As Financial instruments they have been around for longer than you might think. Trading volumes in today's fast moving fully electronic Markets are now dominated by highly liquid Derivative instruments. Therefore, understanding exactly how they work is key to fully appreciating the Financial news headlines.

## **Trainer Profile**



### **Paul Meadows**

Paul has fifteen years Investment experience through various Front Office roles on the Buy side of the Markets in the UK - Trader, Global Equities Research Head & Portfolio Manager. He has knowledge of working in both Institutional & High Net Worth Private Client environments with the likes of Royal Insurance & Lloyds Private Bank

He has been designing & delivering both Public & in-house Financial Markets Training programmes worldwide since 2000, initially with the in-house tailored training arm of Euromoney, DC Gardner & has been the Managing Director of

Chadley House Training since 2004. Clients range from Investment Banks (Citi, Deutsche Bank), Private Banks (Hoare & Co), Fund Managers (Blackrock, Axa IM), Sovereign Wealth Funds (Kuwait Investment Authority), Regulators (from London, Mongolia, Angola & Tanzania), Exchanges (London, Nigeria), Hedge Funds (Brevan Howard, Man Group).

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