

# **Financial Markets Simulation**

## **- Practical Process Flow Dealing Experience**

### ***Comments from past participants***

*“Everything is good! I enjoyed myself!”*

– Ms. Virginia K. Y. Lok, K Y Lok & Co., Hong Kong  
[Class of July 2012]

*“I would like to say, the program which I attended, conducted by Jeff, was excellent! Jeff even slightly altered the program to suit my specific job role. That was really kind of him to do that. And true to his words, he imparted certain knowledge to me that were truly meaningful, much of those were attributed to his “kaypob-ness” as he would put it. Although in most seminars like these, usually the interaction would be 1 directional, ie facilitator to attendees. However, in this instance, I believe the interaction was in both directions, which further enhanced the quality of this seminar.”*

– Mr. Benjamin Loh Chee San, United Overseas Bank Limited, Singapore  
[Class of August 2013]

# PI ETA CONSULTING COMPANY

**PROGRAM CODE: PFMS00**

## *Highlights*

- First-of-its-kind Financial Markets Simulation Dealing experience.
- This is the Practical Process Flow Dealing Experience module, which is actually an Express Version of the full Financial Markets Simulation Centre (FMSC) Foundational Program.
- Participants will be introduced to and have the opportunity to explore and experience the Practical Process Flow in Dealing of various instruments in the following Financial Markets – Interest Rate Markets, Foreign Exchange Markets, Equity Markets and Commodity Markets.
- Participants will have full access to PI ETA Consulting Company’s Dealing System - The **PERMIT**<sup>®1</sup> System to “experience the real world of financial markets and products”.
- The **PERMIT**<sup>®</sup> System is a multi-tier networkable enterprise Treasury & Financial Risk Management system developed entirely in-house by PETS<sup>2</sup> Group working in tandem with PEER<sup>3</sup> Group, that supports straight-through processing of on-line treasury transactions. PERMIT<sup>®</sup> is the world’s first comprehensive software to adopt the PET-DOG<sup>®4</sup> system (on-line Help Functions and Guidance Features).

**Chief Program Facilitator**

**Dr. Jeffrey C. K. Lim, Ph.D., C.Sci., C.Math., FIMA, FCPS, FRM, PRM, B.Fel.**

**Program Duration**

**5 Days, 9:00am to 5:00pm**

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<sup>1</sup> **PERMIT**<sup>®</sup>, which is an acronym for **PI ETA Risk Management Information Technology**, is a registered trademark of **PI ETA Consulting Company**.

<sup>2</sup> **PETS** is an acronym for **PI ETA Technological Support**

<sup>3</sup> **PEER** is an acronym for **PI ETA Engagement Resource**

<sup>4</sup> **PET-DOG**<sup>®</sup>, which is an acronym for **PI ETA Tactically-Developed On-line Guidance**, is a registered trademark of **PI ETA Consulting Company**.

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## **Program Background**

"The extent of one's achievement is often constrained by one's believes. What we believe makes us who we are."

Dr. Jeffrey C. K. Lim

"Derivatives are like a surgeon's scalpel; in the wrong hands it can kill, but in the right hands, it can be used to save lives!"

Dr. Jeffrey C. K. Lim

Simulation offers one the ability to “experience life” without having to pay the “potentially high price” and it also cuts down on the actual time required to be invested in order to learn about the real world.

This is particularly true of trading in the financial markets.

One needs to have the opportunity to have several “dry runs” in order to have an initial feel of the financial markets; otherwise, if one is to be thrown into the system fresh, then risk exposures to the organizations they join can be high!

**PI ETA Consulting Company**, is the *first* to provide the world with the **FMSC (Financial Markets Simulation Centres)** concept kind of interactive experiential financial markets training – allowing learning that is holistic, effective and sticks!

This Practical Process Flow Dealing Experience module introduces participants to the world of Financial Markets and Products through the use of the Dealing System.

## Program Content

- **Full Practical Process Flow Dealing Experience Module**
  - Participants are given the opportunity to experience actual practical training involving the full financial markets processes, be it in dealing in a financial markets product, or to compute market risk exposures etc.
  - This module would basically allow participants to put theory and the lessons they have learnt so far into practice.
  
- **Introduction to Basic Interest Rate Products and Derivative Instruments**
  - Different Types of Interest Rates
    - Money Market Rates
    - Spot and Forward Interest Rates
    - Interest Rate Benchmarks
  - Fixed Income Instruments
    - Coupon Bonds
    - Zero-Coupon Bonds
  - Interest Rate Derivatives
    - Forward Rate Agreements (FRA)
    - Interest Rate Futures
    - Swaps
      - Interest Rate Swaps
      - Cross Currency Swaps
  - Products and Derivatives Dealing using The **PERMIT**<sup>®1</sup> System
    - Products and Derivatives Dealing
    - Sensitivity Analysis
  
- **Introduction to Basic Currency Products and Derivative Instruments**
  - Currency Spot Contracts
    - Short Position
    - Long Position
  - Currency Forward Contracts
    - Currency Forward Buy Contract
    - Currency Forward Sell Contract
    - Non-Deliverable Forwards (NDFs)
  - Currency Option Contracts
    - Types of Options
      - European Options
      - American Options
      - Other Options
      - Greeks - Delta, Vega, etc.
  - Some Vanilla Option Structures
    - Call Option Spreads
    - Put Option Spreads
    - Straddles
    - Strangles
    - Combinations

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- Risk Reversals
  - Calendar Spreads
  - Other Option Structures
- **Extension of Above Notions of Currency Products and Options to Other Markets**
- Equity Markets
  - Commodity Markets

## **Options Pricing Models**

Participants who wish to have a feel for options pricing and options sensitivities at their convenience are encouraged to go to:

[http://www.pi-eta.com/Products/Option\\_Pricing\\_Calculator\\_Intro.asp](http://www.pi-eta.com/Products/Option_Pricing_Calculator_Intro.asp)

## **Benefits of Attendance**

Participants will have a good basic general introduction to the “real world” of Financial Markets and Products. Upon completion of the Program, participants will have a fairly good practical feel for Treasury Markets and Products as participants will have had the opportunity to explore and experience the full practical process flow involved in dealing in the various instruments in the following Financial Markets – Interest Rate Markets, Foreign Exchange Markets, Equity Markets and Commodity Markets through the usage of PI ETA Consulting Company’s Dealing System - The PERMIT® System to “experience the real world of financial markets and products”.

This will then prepare them for the next follow-up modules in the Financial Markets Simulation Centres (FMSC) Foundational Program. Upon completion of the above practical session, trainees are then asked to evaluate their experiences and review the practical aspects of the lessons they have learnt to date through the use of PI ETA’s Treasury and Risk Management systems. Facilitators will also provide a form of resource to assist trainees to evaluate the lessons learnt at this phase as well.

## **Pre-requisites**

Participants should preferably have attended the following modules in the FMSC Foundational Program:

- Basic Theoretical Knowledge Acquisition Module (2-Day Treasury Markets and Products Program and 4-Day Financial Derivatives Part I Program). The 2-Day Treasury Markets and Products Program is highly recommended as a pre-requisite.

## **Who should attend?**

Board of Directors, Senior Management, Risk Management Personnel, Treasury and Finance Personnel, Operations and Settlements Personnel, Accountants, Internal and External Auditors, and anyone interested in gaining more in-depth practical knowledge in the Treasury and Financial Markets.

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## **Program Facilitator**

**Dr. Jeffrey C. K. Lim**, certified Financial Risk Manager (FRM<sup>5</sup>) and certified Professional Risk Manager (PRM<sup>6</sup>), is currently the Managing Director of PI ETA Consulting Company, a Treasury & Financial Risk Management Consulting Company.

A Chartered Scientist (C.Sci.<sup>7</sup>), a Chartered Mathematician (C.Math.<sup>8</sup>) and an elected Fellow of the Institute of Mathematics and Its Applications (IMA), U.K. (FIMA), Jeff earned his Ph.D. in Stochastic Financial Modeling from the University of Cambridge in England. Jeff's research interest at Cambridge was in the area of Arbitrage Opportunities occurring in the Mispricing of Financial Options, and his original research culminated in the publication of his doctoral dissertation entitled: "Multi-period Mean-Variance Option Portfolio Strategies".

Jeff was an authorized Securities & Financial Derivatives Representative in London, having been certified by The Securities and Futures Authority (SFA) in England, where he started his career as a Derivatives Analyst with Nomura International in London, England. He subsequently joined NatWest Markets from London, England to become its Head of Currency Structured Products for South and South-East Asia. Jeff then moved to American Express Bank to become its Director of Structured Products, prior to assuming his current position.

Jeff has also contributed to the development and enhancement of talent and infrastructure for Singapore's financial center as a guest Professor at the National University of Singapore's Center for Financial Engineering, where he was responsible for the curriculum of its Master of Science degree program's core modules in Financial Derivatives and Treasury Management. In addition, Jeff has also been invited by the Nanyang Technological University and the Singapore Management University to share his expertise in a similar capacity. In recognition of Jeff's expertise and experience in the field of Treasury and Financial Risk Management, the University of New South Wales Asia appointed Jeff to be its first Adjunct Professor with the university's Division of Business and Humanities.

At PI ETA Consulting Company, Jeff was Principal Inventor in two of the Patents that the company currently holds – one in Treasury & Financial Risk Management Systems, and the other in Knowledge Management Systems.

Professionally, Jeff is a Fellow of both The Global Association of Risk Professionals (GARP), U.S.A. and The Professional Risk Managers International Association (PRMIA), U.S.A. He is also an elected Fellow of the Cambridge Philosophical Society, U.K. (FCPS) and a Life-time Member of The Cambridge Society, U.K. Jeff is also honoured to be a Fellow of The Cambridge Commonwealth Society, U.K., having been previously awarded the Cambridge Commonwealth Trust and the Shell Group of Companies Doctoral Research Scholarship.

As a special recognition of Jeff's professional achievements, on 9 April 1999, Barons Who's Who conferred Jeff with the Barons Fellowship status, making him a Barons Fellow (B.Fel.). This award by their Charter, is limited to only the top 10% of those selected for publication in Barons Who's Who International.

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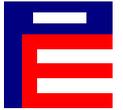
<sup>5</sup> The *Financial Risk Manager* (FRM) designation is awarded by The Global Association of Risk Professionals (GARP), U.S.A.

<sup>6</sup> The *Professional Risk Manager* (PRM) designation is awarded by The Professional Risk Managers International Association (PRMIA), U.S.A.

<sup>7</sup> The *Chartered Scientist* (C.Sci.) designation is awarded by The Science Council, U.K.

<sup>8</sup> The *Chartered Mathematician* (C.Math.) designation is awarded by The Institute of Mathematics and Its Applications (IMA), U.K.

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## Registration Form (applies to PI ETA's publicly conducted seminars only)

**Yes!** Please register the following delegate(s) for the following seminar.

Seminar Title(s) (Code): PFMS00  
Seminar Date(s):

## PLEASE USE BLOCK PRINT

1<sup>st</sup> Delegate's Name  
(Mr/Mrs/Ms/Dr): \_\_\_\_\_  
Designation: \_\_\_\_\_  
Tel: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

2<sup>nd</sup> Delegate's Name  
(Mr/Mrs/Ms/Dr): \_\_\_\_\_  
Designation: \_\_\_\_\_  
Tel: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_  
(Please underline family name)

Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_  
Country: \_\_\_\_\_ Postal Code: \_\_\_\_\_  
Tel: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Person: \_\_\_\_\_  
Contact Person Email: \_\_\_\_\_

Training Manager: \_\_\_\_\_  
Training Manager Email: \_\_\_\_\_

Remarks: \_\_\_\_\_

Meal Preference  None  Special (Please State) \_\_\_\_\_

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### Registration Fees:

**PFMS00 Seminar Fee: SGD 7,000 + GST (currently 7%).** For other seminar fees, please refer to the Seminar Fees list on our website at [www.pi-eta.com](http://www.pi-eta.com). Fees include lunch, refreshments and seminar materials. Special Rates are available (See Below).

Please Note: Delegates will be charged additional compulsory GST (Goods and Services Tax) at the prevailing rate.

### Team Discount:

When 2 or more participants from the same organization apply for the same seminar at the same time a 10% discount would be deducted from the total seminar fees.

### Early Bird:

Early Birds are entitled to an **additional 10% discount** from the seminar fees. To qualify, registration forms and payment have to be received at least one month prior to the commencement of the seminar. (The maximum discount allowable in all cases is capped at 20%).

**(NOTE: Participants signing up for FICS programme are not entitled to any Early Bird or Team Discount.)**

### Payment:

Cheque(s) should be made payable to **PI ETA Consulting Company Pte Ltd**  
Seminar seats may not be confirmed unless payment is received in full.

### Disclaimer:

Registered participants who are unable to attend the above seminar can send replacements subject to one week's notification. Cancellations must be received **in writing at least one week prior to seminar commencement** and are subject to a 50% cancellation charge. There is no refund for any cancellations made less than one week prior to seminar commencement.

**PI ETA Consulting Company** reserves the right to cancel the seminar due to insufficient seminar participants or any unforeseen events beyond its control.