

# Financial Derivatives Part II

## *Comments from past participants*

*“Gain a useful insight into the world of Financial Derivatives which would be useful in the development of more structured products to better serve the needs of clients.*

*More such seminars should be organized for market participants to further develop Singapore into a world-class financial centre.”*

– Mr. Christopher Koh, Bangkok Bank Public Company Ltd, Singapore.  
[Class of July 2001]

*“Practical, topical, risk-focused, and a highly recommended seminar!”*

– Ms. Woramon Clovutivat, Bank of Thailand, Thailand.  
[Class of October 2003]

*“The Derivatives Part II conducted by Dr. Jeffrey Lim was very interesting and was conducted with great depth. Well done! It’s well managed by your firm.”*

– Mr. Patrick Koh, UOB Bullion & Futures, Singapore.  
[Class of October 2003]

*“This seminar gives us an idea about structured products and it’s pricing. I would recommend it to my other colleagues.”*

– Mr. Suriyanto Chang, Permata Bank, Indonesia.  
[Class of October 2004]

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*"Quite informative! The presentation is very different as it brings out the free-flowing structure rather than in a straightforward implementation style."*

– Ms. Vanessa Lim, Prudential Asset Management, Singapore.  
[Class of October 2004]

*"I find the seminar very useful and would strongly recommend it to those interested in Credit Derivatives, Exotic Options and Structured Products. Dr. Jeff is a very good facilitator and is able to explain complex concepts in terms which are easy to understand. Appreciate his ability to challenge our thought process leading us to a deeper understanding of these products. Dr. Jeff's willingness to impart knowledge and advice from his vast practical experience in Treasury Risk and Products is invaluable for us to tackle real life situations in this competitive banking environment."*

– Ms. Christine Lim Ai Lian, O.C.B.C. Bank, Singapore.  
[Class of October 2005]

*"Very Interesting Seminar! Facilitator is very knowledgeable and he makes the learning very easy and fun. The class size is small and the discussion is open-minded. Will strongly recommend others to attend this seminar. Looking forward to attending Part 1 now."*

– Ms. Phang Kai Ling, Nomura Singapore Ltd, Singapore.  
[Class of October 2005]

*"Dr. Jeffrey Lim is able to facilitate the Seminar using techniques and material which are from basic to the more advanced, therefore allowing me to have a deeper understanding of derivatives. He also understands the legal aspects for derivative transactions and that is very useful for us as legal counsels."*

– Mr. Handodo Kangga, Lippobank, Indonesia.  
[Class of September 2008]

*"Financial Derivatives Part II is an enjoyable seminar! I enjoyed the seminar because it added much knowledge for myself (as a beginner) about derivatives products and transactions from the very basic up to the advanced level."*

*Thank you PI ETA Consulting Company and Dr. Jeffrey C. K. Lim for his ability to explain the theory in a simple way!"*

– Ms. Retno Palupi, Lippobank, Indonesia.  
[Class of September 2008]

*"This seminar offers different perspectives to looking at conventional issues/products."*

– Mr. Siew Mun Fei Fabian, ANZ Bank, Singapore.  
[Class of July 2010]

*"This is a good seminar that offers an alternative view to structured products."*

– Mr. Gerald Lam, ANZ Bank, Singapore.  
[Class of July 2010]

*"This is a great training; once you think of getting involved in exotic options or credit derivatives and want a whole simple picture, you must join this seminar!"*

– Ms. Raden Widawati, The Bank of Tokyo-Mitsubishi UFJ Ltd, Indonesia.  
[Class of July 2010]

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*“The world of exotic options and credit derivatives is complex even to most practitioners in the finance industry. Dr. Jeffrey was able to do the breakdown and explain the concepts of such derivatives in a clear and concise manner. His seminar is not typical of the normal “text book” curriculum as it offers a practical and meaningful insight on how these products were actually developed and traded in the real world. Highly recommended for people who want to know more about such products!”*

– Mr. Aaron Pang Xue Shun, KBC Bank N.V., Singapore.  
[Class of August 2018]

*“As expected, a very interesting Program! Learnt a lot about Structured Products that I’ve not touched on previously. Never thought that structuring is so interesting, albeit a little challenging!”*

– Mr. Wong Ying Woon Jovan, Sumitomo Mitsui Banking Corporation, Singapore.  
[Class of May 2021]

*“Very detailed explanations, and Jeff shared real life cases. We enjoyed the Program very much!”*

– Ms. Jenny Woon, Sumitomo Mitsui Banking Corporation, Singapore.  
[Class of May 2021]

## ***Highlights***

- In living life, the secret of the How's is actually in the Why's!
- History is actually an important subject. Knowing history well tells us why we are here today. Knowing history really well can sometimes even tell us where we are heading into the future!
- Acquire a solid foundational knowledge of Credit Derivatives
- Understand why Exotic Options were developed and how these options can be applied to improve the optimality of hedging or investment strategies. Some examples of Exotic Options discussed are: Asians, Compounds, Digitals and Lookbacks
- A hands-on structuring session would be conducted using The **PERMIT**<sup>®1</sup> System which would enable participants to gain practical experience in structuring investment strategies and hedging structures

**Seminar Facilitator**

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

**Seminar Duration**

**2 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.

## Seminar Background

PFD02 is a follow-on seminar to the “Financial Derivatives Part I (PFD01)” seminar. The objective of this seminar is to introduce and to provide an overview on the mechanisms of some of the more recently developed financial derivative instruments and structures. Credit derivatives are recently developed tools in portfolio credit risk management. An appreciation of what they are is essential before one can apply them effectively as tools in hedging credit risks. In this seminar, we will also focus our attention on structuring financial solutions. This will include a study of some of the exotic options and derivative structures available in the market place and how they can be used to develop the more sophisticated risk management solutions.

## Seminar Content

- **Credit Derivatives**
  - Types of Credit Derivatives Instruments
  - Features and Inherent Risks
  - Examples of Useful Applications
  
- **Exotic Options**
  - Product Overview on
    - Single and Double Barrier Options
    - Digital Options
    - Lookback Options
    - Asian Options
    - Compound Options
    - Chooser Options
  - Features and Inherent Risks
  
- **Structuring Investment Strategies**
  - Examples of Investment Structures
  - Structuring Techniques
  - Hand-on structuring session using The **PERMIT**<sup>®1</sup> System
  - Report Writing – Explaining Market Views, Solutions Set – their Risks and Rewards
  
- **Structuring Hedging Solutions**
  - Examples of Hedging Structures
  - Structuring Techniques
  - Hand-on structuring session using The **PERMIT**<sup>®1</sup> System
  - Report Writing – Explaining Market Exposure and View, Solutions Set – their Risks and Benefits

## Benefits of Attendance

Participants can expect to be equipped with additional tools like Credit Derivatives and Exotic Options in their Treasury & Financial Risk Management “toolkit”. This will in turn allow them to arrive at more optimal and effective investment and hedging structures.

## Who should attend?

Senior Management, Risk Management Personnel, Treasury Personnel, Finance Personnel, Internal and External Auditors.

## Seminar Facilitator

**Dr. Jeffrey C. K. Lim**, certified Financial Risk Manager (FRM<sup>2</sup>) and certified Professional Risk Manager (PRM<sup>3</sup>), is currently the Managing Director of PI ETA Consulting Company, a Treasury & Financial Risk Management Consulting Company.

A Chartered Scientist (C.Sci.<sup>4</sup>), a Chartered Mathematician (C.Math.<sup>5</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.

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<sup>2</sup> The *Financial Risk Manager* (FRM) designation is awarded by The Global Association of Risk Professionals (GARP), U.S.A.

<sup>3</sup> The *Professional Risk Manager* (PRM) designation is awarded by The Professional Risk Managers International Association (PRMIA), U.S.A.

<sup>4</sup> The *Chartered Scientist* (C.Sci.) designation is awarded by The Science Council, U.K.

<sup>5</sup> The *Chartered Mathematician* (C.Math.) designation is awarded by The Institute of Mathematics and Its Applications (IMA), U.K.

# PI ETA CONSULTING COMPANY

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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.

**For more information, please contact PI ETA Engagement Resource (PEER) Group at**  
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