MAWA EVENTS

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DERIVATIVES & STRUCTURED PRODUCTS: CORE FUNDAMENTALS

"Mastering the Building Blocks of Financial Innovation and Risk Transfer"

Schedule

Venue (InHouse)	Fees
At Your Organization Premises	Ask For The Quotation

► **Available delivery methods:** In-House Training

Introduction

Derivatives and structured products play a central role in modern financial markets, enabling risk management, investment enhancement, and financial engineering. This intensive course introduces the key concepts, instruments, and pricing methods associated with these tools, while also explaining their regulatory, operational, and risk implications. Through case studies and practical simulations, participants will build a solid foundation in using derivatives and structured products in both trading and client solutions.

Objectives

By the end of this course, participants will be able to:

- Understand the mechanics and purposes of derivatives: forwards, futures, options, and swaps
- Grasp the structure and design of popular structured financial products
- Analyze how derivatives are priced and used to manage different types of risk
- Apply derivatives in portfolio management and investment structuring
- Navigate the regulatory landscape related to derivatives trading and usage

Why Attend

- Build foundational knowledge in one of the most powerful areas of finance
- Demystify complex derivative instruments and their uses
- Gain hands-on experience with valuation, payoff analysis, and structuring
- Understand the benefits and risks associated with derivatives and structured products
- Prepare to work more effectively with traders, structurers, and institutional clients

Target Audience

This program is designed for:

- Investment Analysts and Portfolio Managers
- Corporate Treasury and Finance Professionals
- Product Controllers and Risk Managers
- Bankers, Traders, and Relationship Managers
- Professionals in Capital Markets, Private Banking, and Wealth Management

Individual Benefits

Key competencies that will be developed include:

- Practical understanding of derivative products and structures
- Pricing skills and payoff analysis for common instruments
- Risk analysis and strategy formulation using derivatives
- Improved communication with market professionals and clients
- Enhanced ability to assess and mitigate derivative-related risk

Organizational Benefits

Upon completing the training course, participants will demonstrate:

- Greater control over financial exposures using appropriate instruments
- Enhanced capability to offer structured solutions to clients
- Risk-aware decision-making in investment and treasury operations
- Improved financial innovation across business lines
- Stronger compliance with regulatory and reporting standards

Instructional Methodology

The course incorporates:

- Interactive Lectures – Core principles and terminology
- Hands-On Exercises – Real-life structuring and pricing
- Excel-Based Models – Building tools to analyze instruments
- Group Discussions – Sharing practical applications
- Case Studies – Evaluating successful and failed derivative use cases

Course Outline

DETAILED 5-DAY COURSE OUTLINE (Customizable)

Training Hours: 07:30 AM – 03:30 PM Daily Format: 3–4 Modules | Breaks: 09:30 & 11:15 | Lunch: 01:00 – 02:00

Day 1: Introduction to Derivatives and Risk Transfer

- Module 1: Overview of Derivative Instruments (07:30 – 09:30)
- Definition and characteristics
- Derivative market participants and motivations
- Exchange-traded vs. over-the-counter (OTC) instruments
- Module 2: Understanding Futures and Forwards (09:45 – 11:15)
- Mechanics of contracts
- Pricing, marking to market, and settlement
- Applications in hedging and speculation
- Module 3: Case Study – Hedging FX with Forwards (11:30 – 01:00)
- Building a forward hedge for a global corporation
- Profit/loss scenarios and implications
- Group presentation and analysis

Day 2: Options and Their Strategic Use

- Module 4: Option Types and Payoff Structures (07:30 – 09:30)
- Call and put options
- American vs. European styles
- Profit/loss graphs and payoff profiles
- Module 5: Option Pricing and Volatility (09:45 – 11:15)
- Time value vs. intrinsic value
- Implied vs. historical volatility
- Black-Scholes and binomial models basics
- Module 6: Real-World Option Applications (11:30 – 01:00)
- Hedging downside risk with puts
- Option strategies: spreads, straddles, collars
- Cost-benefit analysis of hedging

Day 3: Swaps and Interest Rate Derivatives

- Module 7: Introduction to Swaps (07:30 – 09:30)
- Interest rate and currency swaps
- Fixed vs. floating interest cash flows
- Valuation principles and market usage
- Module 8: Pricing and Risk of Swaps (09:45 – 11:15)
- Discounted cash flow techniques
- Credit valuation adjustment (CVA)
- Impact on balance sheets and disclosures
- Module 9: Derivative Use in Corporate Treasury (11:30 – 01:00)
- Hedging interest rate exposure
- Managing refinancing and funding risk
- Case discussion: Swap mispricing risks

Day 4: Structured Products Essentials

- Module 10: Structured Product Architecture (07:30 – 09:30)
- Principal-protected notes, leveraged notes, range accruals
- Underlying assets and payoff design
- Role of derivatives in structuring
- Module 11: Client Profiling and Product Suitability (09:45 – 11:15)
- Regulatory suitability requirements
- Assessing investor risk appetite and objectives
- ESG and thematic structured products
- Module 12: Risks and Failures of Structured Products (11:30 – 01:00)
- Market risk, liquidity risk, counterparty risk
- Case examples: 2008 crisis structured notes
- Lessons in due diligence and transparency

Day 5: Simulation, Regulations, and Review

- Module 13: Regulatory Framework for Derivatives (07:30 – 09:30)
- Dodd-Frank, EMIR, Basel III implications
- Reporting, clearing, and capital requirements
- Legal documentation (ISDA Master Agreement)
- Module 14: Simulation: Building a Structured Product (09:45 – 11:15)
- Group task: Design a product for a given client profile
- Define structure, risks, and return mechanics
- Present product rationale
- Module 15: Final Review and Strategic Takeaways (11:30 – 01:00)
- Key learnings and best practices
- Tailoring derivatives to corporate/investor needs
- Certification and personal action planning

Certification

Participants will receive a Certificate of Completion in Derivatives & Structured Products: Core Fundamentals, demonstrating practical competence in risk instruments and financial structuring.

Why Choose MAWA Events

- **Global Expertise:** More than 17 years of experience in professional training and consulting.
- **Industry-Leading Faculty:** Courses delivered by seasoned professionals with hands-on experience.
- **Practical Insights:** Learn to turn theory into actionable strategies for real-world business impact.
- **Client-Focused Solutions:** Customized programs designed to achieve your organisation’s unique goals.

In-House / Customized Training	TEL:	EMAIL:
Interested in running this course for your team? Please contact us:	**+601116373203**	**info@mawaevents.net**