

## FOREIGN EXCHANGE MARKETS & PRODUCT FUNDAMENTALS

*“Essential Concepts, Instruments, and Operations in the FX Market”*

### Schedule

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

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

### Introduction

This foundational 3-day program provides participants with a clear, structured understanding of the global foreign exchange (FX) markets and the wide range of products traded within them. It focuses on core market mechanics, key participants, and instrument characteristics essential for anyone working in treasury, finance, or operations.

Through lectures, case studies, and interactive discussions, attendees will learn how FX markets operate, how exchange rates are determined, and how spot, forwards, swaps, and options are structured and priced.

### Objectives

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

- Understand the structure and function of the FX market
- Identify key drivers of exchange rate fluctuations
- Differentiate among FX instruments: spot, forwards, swaps, and options
- Interpret FX quotations and apply product usage in real-world contexts
- Recognize settlement, risk, and compliance issues in FX transactions

## Why Attend

- Gain a solid foundation in FX market dynamics
- Understand practical application of various FX instruments
- Improve collaboration with trading, treasury, and settlement teams
- Learn how macroeconomic indicators and market sentiment influence FX flows

## Target Audience

This course is ideal for:

- Treasury and back-office personnel
- Junior traders and dealers
- IT and systems analysts in financial institutions
- Finance, accounting, and audit professionals
- Risk and compliance officers involved in FX oversight
- New hires and interns in banking and investment roles

## Individual Benefits

Participants will gain:

- A solid understanding of how global FX markets function
- Practical skills in interpreting currency quotes and rates
- Confidence in applying FX instruments like spot, forwards, swaps, and options
- Enhanced ability to work with trading, treasury, and operations teams
- Greater awareness of macroeconomic factors impacting currencies
- Exposure to common FX risks and best practices in managing them

## Organizational Benefits

Your organization will benefit through:

- Improved cross-functional collaboration between front, middle, and back office teams
- Reduced operational and settlement errors through staff with enhanced FX product knowledge
- Strengthened internal controls and compliance with FX regulatory frameworks
- More effective FX risk management and hedging strategy implementation
- Increased capability to support global business operations and foreign currency exposures
- Better decision-making support from IT, finance, and operations personnel involved in FX processes

## Instructional Methodology

- Instructor-led lectures and real-world illustrations
- Hands-on exercises interpreting FX quotes and scenarios
- Case studies analyzing FX risk and pricing
- Group discussions and knowledge check quizzes

## MAWA EVENTS

**Address:** No. 857, Block A2, Leisure Commerce Square - No 9., 46150 Petaling Jaya, Selangor, Malaysia

**Phone:** +601116373203 | **Email:** info@mawaevents.net

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## Course Outline

DETAILED 5-DAY COURSE OUTLINE (Customizable) Training Hours: 07:30 AM – 03:30 PM Daily Format: 3–4 Modules | Coffee breaks: 09:30 & 11:15 | Lunch Buffet: 01:00 – 02:00

### Day 1: Introduction to the FX Market

- Module 1: Global FX Market Overview
- Evolution and structure of the FX market
- Market participants: central banks, commercial banks, corporates, investors
- Currency classifications: majors, minors, exotics
- Module 2: Currency Quoting and Conventions
- Bid/ask spreads, pips, and lot sizes
- Direct vs indirect quotes
- Cross-currency calculations and arbitrage basics
- Module 3: Economic Drivers of Exchange Rates
- Interest rate differentials and inflation
- Monetary policy and central bank impact
- Key macroeconomic indicators affecting FX

### Day 2: Core FX Instruments - Spot and Forwards

- Module 4: Spot FX Market Mechanics
- Spot transactions and T+2 settlement
- Trade lifecycle and operational processes
- Spot rate conventions and pricing logic
- Module 5: Forward Contracts and Outrights
- Forward points and forward rate calculations
- Covered interest rate parity
- Hedging currency exposure using forward contracts
- Module 6: Pricing and Using FX Forwards
- Using FX forwards for risk management
- Forward curves and their interpretation
- Practical examples in corporate treasury

### Day 3: Advanced FX Instruments - Swaps and NDFs

- Module 7: FX Swaps and Applications
- Structure of FX swaps and rolling forward contracts
- Swap points, uses in funding and liquidity management
- Case examples: FX swap in balance sheet planning
- Module 8: Non-Deliverable Forwards (NDFs)
- What are NDFs and why they're used
- NDF settlement and pricing methodology
- Risks and limitations in emerging markets
- Module 9: Comparative Analysis of Spot, Forwards & Swaps
- Choosing the right instrument for specific needs
- Cost-benefit tradeoffs
- Case-based analysis

**Day 4: FX Options and Risk Management**

- Module 10: Introduction to FX Options
- Calls, puts, strike price, and option premium
- Vanilla vs exotic options
- Option payoff structures
- Module 11: Using Options in FX Risk Management
- Protective hedging strategies (collars, straddles)
- Real-world examples in corporate FX strategy
- When to use forwards vs options
- Module 12: Understanding FX Risk and Exposure
- Transaction, translation, and economic exposure
- Identifying and quantifying FX risk
- FX policy framework

**Day 5: Operations, Controls, and Case Study Integration**

- Module 13: FX Settlement, Controls, and Compliance
- CLS (Continuous Linked Settlement) and settlement risk
- Documentation: ISDA, confirmations, and reconciliations
- Regulatory frameworks (Basel, EMIR, MiFID, AML)
- Module 14: Trade Lifecycle and Technology Considerations
- STP (Straight-Through Processing) in FX
- Role of IT systems and automation
- Operational risks and mitigation strategies
- Module 15: Final Simulation and Review
- End-to-end case study simulation (spot + forward + swap)
- Group discussion and presentation
- Key takeaways, Q&A, and certification distribution

**Certification**

Participants will receive a Certificate of Completion in Foreign Exchange Markets & Product Fundamentals, verifying their readiness to understand, interpret, and engage in FX-related activities confidently.

**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**

Interested in running this course for your team?

Please contact us:

TEL:

**+601116373203**

EMAIL:

**info@mawaevents.net**