

# **FORE School of Management**

## **Management Development Program on Financial Derivatives – Risk Hedging Strategies August 1-2, 2011, FSM Campus, New Delhi**

### **Backdrop**

Most organizations face financial risk. Changes in stock market prices, interest rates and exchange rates can have great significance. Adverse changes may even threaten the survival of otherwise successful business. The financial derivatives provide commitments to prices or rates for future dates or give protection against adverse movements and thus reduce the extent of financial risk. Conversely they also provide profit opportunities for those prepared to accept risk. There has been lot of changes in the recent past to make these instruments more acceptable and usable. Therefore this program is designed to deal with relevant aspects of financial derivatives and how effectively use them in minimizing the risk.

### **Objectives**

- To expose the participants to the derivative markets and products.
- To make the participants appreciate the pricing and valuation of derivative products
- To deliberate up on risk hedging strategies through derivatives

### **Contents**

- Impact of Globalization on financial decision making
  - Scope and Genesis of Financial Risks
- Financial Derivatives – an Introduction
- Forward and futures- Features, trading, pricing and applications
  - Forward rate agreement (FRA)
  - Commodity Futures
  - Financial Futures
  - Index Futures
- Swaps- Forex, Interest rate and currency swaps
- Options-terminology, trading, pricing, application
- Risk Management using Financial Derivatives
- Financial Engineering and Value at Risk

### **Methodology**

The course uses the lecture method, cases and directed assignments to achieve the learning objective. However, significant learning is also expected through classroom discussions and experience sharing. So participants are encouraged to bring their problems to the course.

### **Who May Attend**

Senior and middle level Industry professionals, market players in derivative market, bankers, financial services organizations, academicians and other related professionals.