



OBJECTIVE

Over the last ten years the growth and depth of financial markets including but not limited to the money market, debt & securitization, fixed income, equities, commodities, currency & interest has been phenomenal. In this one day course we demystify the new growing trend of investment funds often referred to the hedge funds. What are they? How does this community function? What are the dynamics of some of the successful funds? This program will take in the entire end-to-end process from fund capital injection, pricing, portfolio management, investment strategies, portfolio protection strategies, disbursements.

KEY AREAS

- Clearly explain the various types of hedge funds and the underlying strategy for each hedge fund class
- Show how the instruments are traded and how they can add value
- The end-to-end processes within a hedge fund.
- Methods for portfolio management and asset valuation.
- How to yield protect hedge fund returns

FOCUS

UNIQUE MARKETS

The course takes a close look at the important role of hedge funds, private equity, asset management in the investment community. What are the various strategies of these firms employ.

CASE STUDIES

Specific case studies and examples of the portfolio management strategies will be presented using spreadsheets and statistical tools. This is a hands on and exciting course for those new or experienced in investment.

WHO SHOULD ATTEND

- Investment bankers new to their role
- Lawyers or accountants with clients in financial institutions
- Investor relations staff
- Vendors to the banking industry
- Legal council in managed funds
- Government agencies
- Banking staff looking for a complete overview of the hedge fund industry

About your trainer



Martin specializes in designing risk measurement systems with a particular focus on regulatory capital frameworks. He has more than 10 years experience developing bespoke knowledge / workflow and scorecard solutions for financial institutions in both strategic and processing areas of the business. He has a particular interest in lending products and in assisting banks reduce capital arbitrage in their economic capital models. Primarily he is banker with experience in both retail and commercial banking and he is currently working with several banks throughout South East Asia where he assists these organisations build sound and structured frameworks that can quantify exposure. In the capital markets arena Martin has worked closely with a stock exchange in the region assisting the exchange design a new energy instrument and futures contract. In addition to Martin's work within the capital markets and banking sector he is a credited trainer for the American Academy of Financial Management on structured finance, project finance, credit and operational risk.

Agenda

FUNDAMENTALS OF A HEDGE FUND & THEIR STRATEGIES

Session 1

08:30 Hedge Fund Overview

- The Hedge Fund Industry currently
- Definitions
- Characteristics
- Industry Specifics
 - Investors
 - Structures
 - Indices
 - Myths and Truths
- Performance
- Classifications & types of funds
- Hedge Funds vs Institutional Portfolios vs private equity vs venture capital

09:30 Business Process Flow

- Understand the processes of buy side and sell side.
- How do hedge funds attract source funding.
- Unit pricing and disbursements
- Asset Management
- Asset Protection

10:30 Coffee Break

10:45 Performance & Statistics

- Fund Performance & Risk Measures
- Sharpe Ratios
- Alpha & Beta
- Correlations & non correlated
- Normal distributions and tail risk
- Market Risk in hedge funds
- Operational Risk and business risk
- Measuring credit risk

12:00 Hedge Fund Strategies

- Historical Fund Strategy Review
- Global Macro
- Equity Long Short
 - Equity LS trading tools
 - Shorting Concerns
 - Margin Trading
 - Selling Liquidity
 - Market Neutral Long Short Equity
 - Emerging Markets
 - Arbitrage Strategies

Session 2

- Convergence & Mean Variance Trading
 - Fixed Income Arbitrage variations
 - Trading Styles & Market Inefficiencies
 - Optionality & how it is implemented
 - Special Risks in fixed income arbitrage
 - Mortgage backed securities trading
 - Beacon Hill
 - Convertible Arbitrage
 - Event Driven Strategies
 - Distressed
 - Merger Arbitrage
 - Shareholders Value
 - Managed Futures and CTAs.
 - Performance Review, all strategies
- Case studies: Preparation and Discussion

13:30 Lunch

14:30 Risk management

- Risk Measurement vs. Risk Monitoring
- VAR calculations
- Stress testing & scenarios
- Leverage Continued
- Daily Operations Cash Flow Management
- Hedge Fund Disasters & lessons
- Methods for default protection
- Fund of Fund portfolio construction
- Default protecting term structures

15:15 Coffee Break

15:45 Fund Management

- Client targeting & product construction
- Product construction variations
- Fiduciary responsibility
- Manager selection
- Tactical Asset Allocation and hedge Funds
- The Buy or Build decision revisited

14:45 Day Close

- Recap of the day
- Where is the industry going
- What are the key effects on conventional investment banking
- Any further Q&A

OBJECTIVE

The objective of day one is to introduce the class to the hedge fund landscape and show how diverse this investment space really is.

This is foundational learning for people wishing to gain more in-depth knowledge into the ecosystem of private investment programs.

KEY LEARNING

- Markets Entirety.
- The fundamental instruments, how they work.
- The key classes of hedge fund strategies.
- How do these firms carryout valuations?
- Understand the fundamentals of portfolio management.