

Introduction to the Financial Markets

Course in Stockholm

Day 1

09.00 Welcome and introduction

09.15 1. The Nature of the Financial Markets

- What is the prime objective of the financial markets?
- Who needs capital?
- Swedish investors - who are they and what are their motives?
- The role of the exchange (OMX)
- The role of the banks and life insurance
- The role of Riksbanken and Riksgäldskontoret

11.00 2. The Money Market

- How do we define the money market?
- Who is active in the money market?
- Money market conventions
- Which products are traded?
- Deposits, FRAs, repo's, T/N swaps
- Riksbankens leading interest rates

12.00 Lunch

13.00 2. The Money Market (continued)

14.00 3. The Market of Foreign Exchange (FX)

- What affects the exchange rate?
 - The purchasing power parity
 - The interest rate parity
- The spot and forward market
- FX market conventions
- FX forwards, FX options, FX swaps
- The recent turbulence in the FX markets

16.00 End of day 1

Day 2

09.00 Recap

09.30 4. The Bond Market

- The role of the bond market
- The international bond markets
- The Swedish bond market
- Issuers of bonds
- Bond investors
- Bond markets conventions
- Bond types
- How to determine the yield to maturity
- Is the yield-to-maturity a return measure?
- Clean price, dirty price and accrued interest
- What affects the bond price?

12.00 Lunch

13.00 5. The Stock Market

- The role of the stock market
- Cash flow differences between stocks and bonds
- Stocks on OMX
- Initial Public Offering (IPO)
- Corporate actions
- Company valuation
- Understanding the annual report
- The balance sheet
- Relevant key figures
 - Price/Earnings, Price/Book, Earnings/Share

15.00 6. Alternative Investments

- Type of alternatives
- Why use alternatives?
- Risks of alternatives

16.00 End of course and evaluation

Price

The price of the course is EUR 1800. The price includes course material, lunch and refreshments.