Convertible Markets

Equity Capital Markets
- 4th - 8th December 2000, Hong Kong

Bond Management Techniques
- 9th - 12th January 2001, Hong Kong
- 17th - 20th July 2001, Kuala Lumpur

International Capital Markets
- 9th - 11th January 2001, Shanghai

Swaps & Swap Risk Management Products
- 15th - 18th January 2001, Hong Kong

Asset Securitisation
- 28th November - 1st December 2000, Hong Kong

Cashflow Modelling for Securitisation
- 6th - 9th February 2001, Sydney
- 12th - 15th February 2001, Hong Kong

Euromoney Bond School
- 2nd - 6th April 2001, Sydney

Hedge Funds
- 2nd - 5th April 2001, Hong Kong

Wealth Management
- 6th - 9th February 2001
- 26th - 29th March 2001, Singapore
- 18th - 20th December 2000, Hong Kong

Money Laundering & Documentary Fraud
- 18th - 20th December 2000, Hong Kong

YES! Please add my name to your mailing list so that I may receive details of all future courses relevant to my career.

Please send me more information on the courses I have ticked:

CONVERTIBLES - Fee US$2,300 (per person for 2-day course. Fee includes tuition, lunch, refreshments and teaching materials. Hotel accommodation is not included in the course fee, but special rates have been arranged for delegates. See below)

- Early Bird discount! Save 5%
- Register and pay for the course before 18th January 2001 to benefit from a 5% discount (please underline family name)

- Crossed cheque payable to: Euromoney Publications (Jersey) Limited. Registration is confirmed only upon receipt of payment.
- Payments will be converted towards Euromoney course voucher that can be applied for any Euromoney Training course in Asia for up to one full year.
- Cancellation and Transfer Policy:
- Full refund for cancellations received 31 days before the course. Cancellations received less than 31 days before the course will not be eligible for a refund. Bookings are refundable to one name only.
- Special corporate rates have been negotiated for course delegates. To take advantage of the special delegate rates, please indicate that you are attending Euromoney’s Convertibles course.

Yes! Please fax me Euromoney’s 2000/2001 training calendar

Incorporating Computer Simulations and Comprehensive Asian Case Studies

22nd - 23rd February 2001
The Sheraton Hong Kong Hotel & Towers, Hong Kong

This comprehensive 2-day course will cover:
- Characteristics of Convertible Bonds
- Related Types of Convertible Securities such as Convertible Preferred Stock and Convertible Mortgages
- Pricing Methodologies for Convertible Bonds
- Convertible Bond Strategies
- Raising Capital with Convertible Securities
- Global Convertible Markets
- Convertible Hedging
Course Background and Objectives
Convertible bonds can boost fixed income performance by recreating straight corporate bond positions with exposure to equity markets. In fact, many studies demonstrate that conversibles achieve similar total returns to equities with significantly lower volatility. With recent high market volatility, conversibles become increasingly attractive investment alternatives. Equity-oriented investors are keen on downside protection while fixed-income investors are trying to get more equity exposure.

However, it is commonly agreed that conversibles are one of the most difficult products to understand and value as it is difficult to truly dissect all the various components and their interrelationships.

Euromoney Training’s intensive Conversibles course will provide delegates with a comprehensive understanding of the pricing, valuation and hedging of major convertible instruments in the global and Asian financial markets. Illustrative case studies and computer simulations of some real Asian products will help provide delegates with a detailed explanation of the pricing and hedging methodologies. The course will focus on both the international perspective and regional characteristics of the convertible markets.

Course Content
This unique 2-day course covers:
- Characteristics of convertible bonds
- Related types of convertible securities
- Anatomy of convertible bonds
- Pricing methodologies for convertible bonds
- Convertible bond strategies
- Raising capital with convertible securities
- Global convertible markets
- Convertible hedging

Teaching Methods
The course strikes a fine balance between lecture sessions, worked examples, exercises and case studies through computer simulations. One distinctive feature of the programme is the interactive hands-on computer simulations of real case studies of various Asian convertible products. Throughout the course, participants will price and hedge various convertible instruments on spreadsheets.

Participants
This course is directed to market practitioners with limited exposure to conversibles who want to acquire the fundamental understanding of various aspects of pricing and hedging with conversibles. It is suitable for individuals in financial institutions who are involved in fixed income/equities in their current job functions. It is also suitable for those whose jobs are related to the trading and marketing of convertible instruments to gain acquaintance with the new generation of convertible products.

This course would be of particular benefit to:
- Bond issuers and investors
- Fixed income traders and sales people
- Research analysts
- Portfolio managers
- Equity fund managers
- Fixed income fund managers
- Dedicated fund managers
- Hedge fund managers
- Bank and corporate treasury managers
- Arbitrage managers
- Chief financial officers
- Risk managers

Course Level/Assumed Knowledge
A good working knowledge of interest rate, capital markets and basic financial mathematics is assumed. Delegates should also be familiar with Microsoft Excel.

Documentation & Course Texts
All delegates will receive comprehensive course documentation for use during and after the course, enabling them to return to their organisations with an extensive and valuable source of information for future reference.

Day One
Characteristics of Convertible Bonds
- Conversion, call terms and premium protection
- Put and reset features
- Anti-dilution clause and takeover clause
- Commission and margin requirements
- Tax treatment of conversibles

Case Studies
- Pacific Century Cyberworks (0008.HK) convertible bond and COSCO Pacific (1199.HK) convertible bond

Related Types of Convertible Securities
- Exchangeable convertible bonds
- Convertible preferred stock
- Convertible stock notes
- Asset-linked conversibles
- Convertible mortgages

Anatomy of Convertible Bond
- Bond investment value and investment risk
- Default risk of conversibles
- Credit analysis and rating
- Interest rate sensitivity and duration analysis
- Equity risk measures

Pricing Methodologies for Convertible Bonds
- Stock-plus valuation
- Contingent claim models
- Lattice valuation framework
- Scheme adjustment for soft call and forced conversion

Day Two
Convertible Bond Strategies
- Low-risk equity alternative
- Diversifying fixed-income with conversibles
- Opportunities in low inflation environment
- Effective asset allocation mix with conversibles

Raising Capital with Convertible Securities
- Conversibles as a mean of cheap financing
- Convertible issuance based on compensation for additional risk
- Conversibles as backdoor equity financing
- Impact of stock price of issuing conversibles
- Making conversibles work to the company’s advantage

Global Convertible Markets
- US convertible market
- Euro and Japan convertible markets
- Emerging markets
- Hong Kong convertible market
- Performance of convertible markets

Convertible Hedging
- Hedging conversibles with stock options
- Managing risk with put options
- Minimising portfolio risk with index put options
- Risk/reward of the convertible portfolio

Computer Simulation
Hedging performance of a China Travel (0308.HK) convertible bond

Course Conclusion & Summary
To help us effectively establish your individual training needs, we will send you a short questionnaire upon receipt of your registration. This will allow us to gain a thorough understanding of your job duties, experience and desired objectives from attending this course. Please therefore register early to allow sufficient time for this to take place. Please register at 8:30am on day one.
The course will begin at 9:00am and conclude at approximately 5:00pm daily.