



AIF
ASIAN INSTITUTE OF FINANCE

Managing Bonds – Nature, Trading, Risk, Valuation & Accounting

Sasana Kijang,
Bank Negara Malaysia

Programme Facilitator: Yogaretnam Kanagandram

This programme is SIDC CPE-Approved for 10 CPE Points



Managing Bonds – Nature, Trading, Risk, Valuation & Accounting

The Programme

Bonds feature prominently on the international financial landscape. Statistics indicate that the size and variety is growing by leaps and bounds. Large corporations are key players as either issuers and/or investors. Open the balance sheet of any bank or insurance company and you will easily find bonds as a significant item.

“Managing bonds efficiently as a source of earnings or funds will have a direct bearing on bottom lines and shareholder wealth.”

This programme has been specially designed in a workshop style, to address all pertinent aspects of bonds so as to give you an intuitive and an in-depth understanding of the instrument.

How do we value it? What are the underlying risks? How do we manage them? What’s the basis of bond selection from the vast array? How do we securitize assets into bonds? How do we account for it under the latest accounting standards? What are the sources of returns? All questions will be answered - just bring along an alert mind and a willingness to learn.

Benefits of Attending

Upon completion of this programme, participants should be able to:

- Explain the risks inherent in bonds
- Calculate total returns from trading and investing in bonds
- Describe the prevailing infrastructure for issuing, investing and trading bonds
- Discuss the key attributes of the various types of bonds available in the domestic & international markets
- Explain the valuation process of bonds
- Explain the dynamics involved in bond selection
- Manage the risks arising from bonds
- Record bond activities based on the latest accounting standards

Your Facilitator



Yogaretnam Kanagandram CA(M), FRM

Association of Chartered Certified Accountants, Member of Malaysian Institute of Accountants Financial Markets Association of Malaysia (Distinction & Prizewinner), Certified Financial Risk Manager (GARP)

Yogaretnam is the General Manager of the Risk Management Centre at the Asian Institute of Finance. He brings with him more than 16 years of banking practice. His experience ranges from accounting to auditing to regulation to risk management. He served on the board of a listed company and was the chairman of the audit committee. He is a Chartered Accountant and a GARP Financial Risk Manager.

He gives talks and conducts training workshops for bankers, fund managers, stockbrokers, regulators, consultants, lecturers and Government Auditors in the areas of Capital Markets, Risk Management, Foreign Exchange, Derivatives, Accounting and

Retirement Planning. Among the organizations which have engaged Yogaretnam as a speaker are Bank Negara Malaysia, Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, Institute of Bankers Malaysia, Employees Provident Fund and Permodalan Nasional Berhad.

This programme is suitable for:

- Directors
- Risk Committee Members
- Corporate Bankers
- Corporate Financiers
- Analysts
- Finance Managers
- Risk Managers
- Treasury Dealers
- Treasury Back Office Managers
- Middle Office Personnel
- Internal Auditors

Time	Contents
Day 1	
8.30am – 9.00am	Light Breakfast and Networking
9.00am	Introduction Bond Characteristics <ul style="list-style-type: none"> • Risk-Return • Key Statistics
10.30am - 10.45am	MORNING TEA BREAK
10.45am - 1.00pm	Bond Markets & Infrastructure <ul style="list-style-type: none"> • The Players • Issuer/Investor Motives • Development Initiatives of the Bond Market • Issue Process • On-the-Run vs. Off-the-Run Papers • Domestic, Foreign, Offshore & Global Markets
1.00pm – 2.00pm	L U N C H
2.00pm – 3.30pm	Bond Diversity & Respective Motives <ul style="list-style-type: none"> • Straights, Zeros, Option-Embedded, Structured, CP/MTNs, Convertibles etc • Case Studies • Popular Malaysian Flavours Obtaining Bond Exposure <ul style="list-style-type: none"> • Investment Channels • Procedures & Precautions
3.30 pm – 3.45 pm	AFTERNOON TEA BREAK
3.45pm – 5.00pm	Trading Bonds <ul style="list-style-type: none"> • Key Conventions • Determining Proceeds & Profits • Price, Yield, Discount & Net Asset Bases • Making a Trading Spread • Deriving Absolute Returns Bond Valuation • Cost, Price & Yield • Yield to Price & Price to Yield Conversions • Tables, Formulae, Bond Calculator & Spreadsheet • Realistic case study of Trading, Proceeds & Profit determination
Day 2	
8.30am – 9.00am	Light Breakfast and Networking
9.00am	Total Return <ul style="list-style-type: none"> • Selecting the correct measure of returns • Underlying Assumptions • Source of returns • Significance of various sources of returns • Deriving returns in multi-period situations
10.30am - 10.45am	MORNING TEA BREAK
10.45am - 1.00pm	Accounting & Disclosure <ul style="list-style-type: none"> • Possible Treatments • FRS 139 requirements – Categories, Accounting Treatment, Constant Effective Yield, Reclassifications & Impairment Losses
1.00pm – 2.00pm	L U N C H
2.00pm – 3.30pm	Bond Market Risk <ul style="list-style-type: none"> • Duration • Constructing a Duration-Neutral Portfolio • Convexity
3.30 pm – 3.45 pm	AFTERNOON TEA BREAK
3.45pm – 4.30pm	Bond Credit Risk <ul style="list-style-type: none"> • Rating, Credit Enhancements, Spreads, Liquidity, Ratings Watch • Case Study Tailoring to your Investment Needs

Managing Bonds – Nature, Trading, Risk, Valuation & Accounting

Participant 1 Mr. Ms. Mrs. _____

Name (To Appear on Tag) _____

Job Title _____ Email _____

Participant 2 Mr. Ms. Mrs. _____

Name (To Appear on Tag) _____

Job Title _____ Email _____

Participant 3 Mr. Ms. Mrs. _____

Name (To Appear on Tag) _____

Job Title _____ Email _____

Company _____

Address _____

State _____ Postcode _____ Country _____

Telephone _____ Fax _____

Payment must be made before commencement of programme.

Programme fee:

- * RM3,100 per pax
- * **RM2,799 per pax** (First 10 to register)
- * **RM2,499 per pax** (Group registration of 3 or more)
- * **RM2,600** (For Government and Public Sector)

Payment:

Booking should be made on the booking form above. Following receipt of the booking form, an invoice will be issued and the booking will be confirmed on receipt of full payment of the fee. Payment should be made by bankdrafts made payable to "Asian Institute of Finance Berhad". Telegraphic Transfer can also be arranged upon request.

A 50% cancellation fee is payable for cancellation more than 2 weeks before the programme commences. The total fee is retained in the event of cancellation less than 2 weeks before the commencement date.

Kindly forward or fax the Booking Form to:

Asian Institute of Finance

Tel: +603-27871999

Fax: +603-27871900

Email: training@aif.org.my



Unit 1B-05 Level 5 Block 1B, Plaza Sentral,
Jalan Stesen Sentral 5, 50470 Kuala Lumpur

 **03-27871999**

 **03-27871900**

 **training@aif.org.my**

 **www.aif.org.my**

