



PROFESSIONAL TRAINING COURSE

RISK MANAGEMENT

VALUATION IN DERIVATIVE MARKETS

Instructors:

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Emeroteca

Badia Fiesolana, Via dei Roccettini 9 - San Domenico di Fiesole (Fiesole, Florence)



9 - 11 OCTOBER 2019

■ Introduction

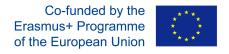
Derivatives are a fundamental tool for managing risk exposures, including both hedging and speculation. More broadly, the language and concepts related to derivatives touch almost every topic in finance. This course provides an analytical overview of futures, options, swaps and other derivatives. We will discuss how derivatives are constructed and deployed to solve particular problems, as well as the underlying pricing methodologies. We will pay special attention to the role of the risk premium in pricing. We will also discuss how derivatives fit into the current European regulatory environment (EMIR and MIFID) in a global context.

■ PROGRAMME

9 October

13.15	Welcome coffee and registration
13.30 - 14.00	Introduction by the Florence School of Banking and Finance and <i>tour de table</i>
14.00 - 15.30	Session 1. Review of forward pricing

• Forwards and swaps



	• What information is in prices?
15.30 - 16.00	Coffee break
16.00 - 17.30	Session 2. Option pricing
	• Put-call parity
	Black-Scholes pricing
	 Options greeks and the link to prices
17. 45 - 18.00	Transfer by shuttle bus from Badia Fiesolana to La Divina Enoteca
18.00 - 19.30	Wine Tasting at La Divina Enoteca, via Panicale, 19/red, Florence
10 OCTOBER	
09.30 - 11.00	Session 3. Structures: Basic positions
	Basic risk transformation with options
	• Introduction to hedging and risk management
11.00 - 11.30	Coffee break
11.30 - 13.00	Session 4. Structured instruments
	Linked bonds
	• Convertibles
	Corporate debt and equity as options
13.00 - 14.15	Lunch break (Sala Giuseppe Buonsanti)
14.15 - 15.45	Session 5. Monte Carlo valuation
	• The lognormal model and basics of pricing by simulation
	Asian options
	• Levered ETFs
15.45 - 16.15	Coffee break
16.15 - 17.30	Session 6. Exotic options
	Asian options
	Barrier options

• Quantos

17.45 - 18.00	Transfer by shuttle bus from Badia Fiesolana to meeting point for Guided Tour in Via della Dogana, Florence
18.00 - 19.30	Guided tour in the city centre on the History of Banking and Finance in Florence
11 О стовек	
09.30 - 11.00	Session 7. Structured products in retail finance
	• Equity-linked notes
	Pricing exercises
11.00 - 11.15	Coffee break
11.15 - 12.45	Session 8. The Regulation of Derivatives: The EU approach in a global perspective (Part I - EMIR)
	• The Clearing Obligation
	• Risk Mitigation Techniques
	• Reporting to Trade Repositories
12.45 - 13.30	Lunch break (Sala Giuseppe Buonsanti)
13.30 - 14.30	Session 9. The Regulation of Derivatives: The EU approach in a global perspective (Part II - MIFID)
	Trading Obligation
	Transparency Requirements and waivers
	• Transaction Reporting
14.30 - 15.30	Session 10. Pricing and the risk premium
	• Investing for the long run
	• Are long-term put prices too high?
15.30	Closing remarks