

Bond Analysis

Course in Copenhagen

Day 1

09.00 **Welcome and introduction**

09.15 **1. Defining a Bond**

- Defining a bond
- The Scandinavian bond markets - an overview
- Issuers
- Investors
- Market characteristics
- Bond types
 - Bullet, serial, annuity, zero
- Bond market conventions in Denmark, Sweden and Norway
- Calculating accrued interest

12.00 **Lunch**

13.00 **2. Price and Yield-to-Maturity**

- How do we interpret the yield to maturity?
- Clean price and dirty price
- Decomposing the yield
- Yield conventions
- The ICMA formula
- Compounded and linear yield

14.00 **3. Bond Risk Measures**

- The risk universe
- Interest rate risk
 - Macauley duration
 - Modified duration
 - Dollar duration

16.00 **End of day 1**

Day 2

09.00 **Recap**

09.30 **3. Bond Risk Measures, continued**

- Convexity
- Portfolio risk measures

11.00 **4. Zero Coupon Pricing**

- Why zero coupon yields?
- Difference between traditional and zero yields
- Estimating zero coupon yields
 - Bootstrapping
 - Mathematical models
 - The Nelson Siegel model

12.00 **Lunch**

13.00 **4. Zero Coupon Pricing, continued**

14.00 **5. Corporate Bonds**

- Overview of the corporate bond markets
- Recent trends
- Security characteristics
- Various trading strategies
 - Credit spread trading
 - Asset swaps

15.00 **6. Mortgage Bonds**

- Overview of the mortgage bond markets
- Issuers and investors
- Security characteristics
- Various trading strategies

16.00 **End of course and evaluation**

Price

The price of the course is DKK 13.500 ex VAT. The price includes course material, lunch and refreshments.

