

# Trading Derivatives 2012

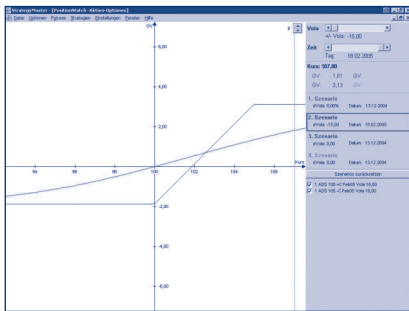
## Certificate Course



## Area of activity 2:

### Eurex strategy tools

The Eurex StrategyMaster helps to assess risk by conceiving strategies and simulating their performance. The Eurex MarginCalculator is used to calculate margin requirements for existing and intended positions across the entire Eurex product range.



### Exercises and examination questions

Typical examination questions will be discussed after each learning unit in order to prepare participants for the examination as thoroughly as possible. To intensify the learning effect, each course day will be wrapped up with an exercise using additional examination questions. During a recap the following morning participants will review the previous day's examination questions.

### Qualification

The "Certified Eurex Exchange Trader" is a highly regarded title and a strong reference for know-how in derivatives trading in the international financial community.

### Requirements

Participants should have basic knowledge of options and futures. Preparation materials will be distributed prior to the start of the course.

### Target audience

The Certificate Course is aimed at employees dealing in derivatives at banks and trading firms, as well as university students and retail investors with sound basic knowledge.

### Course materials

Materials provided during the course include a reader giving a comprehensive overview of the topics covered. Furthermore, workbooks containing case studies and exercises should be used to prepare for the examination.

### Tutors

Paul North has over 20 years experience of developing and presenting courses on financial markets with a particular emphasis on derivative products training. He joined LIFFE in 1988 where he designed a wide variety of public courses for market professionals.

Stefan Toetzke is managing director of mmFinance Training, which he cofounded in 1989. He specializes in derivatives, structured products and risk management.

Christian W. Jennes is Head of Risk Management Consultancy at Interfin

Forum GmbH, and an instructor for Eurex® system training courses. He has more than 20 years experience in trading, risk management and asset management.

### Proof of professional aptitude

By attending the course and passing the final examination, participants gain the professional knowledge and practical experience required for admission to exchange trading at Eurex.

The admission regulations for exchange traders at Eurex can be downloaded: [www.eurexchange.com](http://www.eurexchange.com) > documents > rules & regulations > admission regulations

### Approved by:

**CFA Institute**  
CE Qualified Activity



ACCREDITED TRAINING PROVIDER

### Simulation software

The simulation software for the Eurex Trader Examination has been developed for mobile learning. It is also suitable for preparation for the exam to become a "Certified Eurex Exchange Trader". Using a smartphone, you can work on the question pool or simulate an examination. Please enter "mobileacademy.deutsche-boerse.com" and select the link of the Eurex Trader Examination to get access to the simulation.

# Certificate Course Trading Derivatives Agenda

| Monday  | Tuesday   | Wednesday  | Thursday  | Friday  |
|---|---|--|---|---|
| <p>Arrival and Welcome</p> <p><b>Markets and participants in the U.K.</b></p> <ul style="list-style-type: none"> <li>• Types of derivatives and products</li> <li>• Exchange vs OTC markets</li> <li>• Main markets and stakeholders</li> <li>• Price givers</li> <li>• Price takers</li> <li>• Hedgers, speculators and arbitrageurs</li> </ul> <p><b>Market participants' roles</b></p> <ul style="list-style-type: none"> <li>• Prime broker</li> <li>• Clearing broker</li> <li>• Executing broker</li> <li>• Inter-dealer broker</li> <li>• Futures Commission Merchant (FCM)</li> </ul> <p><b>Principles of clearing</b></p> <ul style="list-style-type: none"> <li>• Purpose of clearing</li> <li>• Function of novation</li> <li>• Risks of a clearing process</li> <li>• Role of the clearing house as counterparty</li> <li>• Role of the clearing house as guarantor</li> <li>• Counterparty risk</li> </ul> <p><b>Margining</b></p> <ul style="list-style-type: none"> <li>• Types of margin</li> <li>• Price and position limits</li> <li>• Methods of determining a margin</li> <li>• Acceptable collateral</li> <li>• Credit lines</li> </ul> <p><b>Delivery and settlement</b></p> <ul style="list-style-type: none"> <li>• Closing contracts</li> <li>• Physical delivery or cash settlement</li> <li>• Exchange delivery settlement price</li> <li>• Exercise of physically deliverable options</li> <li>• Automatic exercise</li> <li>• Early exercise of options</li> </ul> <p><b>Special Regulatory Requirements</b></p> <ul style="list-style-type: none"> <li>• Scope of regulation</li> <li>• Different regulatory approaches</li> <li>• Principal differences between U.S. and U.K. regulations</li> </ul> | <p><b>Underlying markets</b></p> <ul style="list-style-type: none"> <li>• Government and corporate debt</li> <li>• Foreign exchange</li> <li>• Money markets</li> <li>• Equities</li> <li>• Commodities</li> <li>• Softs and agricultural commodity products</li> <li>• Base and precious metals</li> <li>• Energy</li> <li>• Exotics</li> </ul> <p><b>Fundamentals of futures/ cash vs. forward markets</b></p> <ul style="list-style-type: none"> <li>• Definition of futures</li> <li>• Eurex futures</li> <li>• Futures positions</li> <li>• Futures settlement</li> <li>• Time spreads</li> <li>• Daily profit/loss settlement</li> <li>• Additional Margin/ Spread Margin</li> <li>• Pricing fundamentals</li> <li>• Cost-of-carry</li> <li>• Basis convergence</li> <li>• Cash and carry arbitrage/reverse</li> <li>• Examination questions related to the topic</li> </ul> <p><b>Euro-Bund Futures</b></p> <ul style="list-style-type: none"> <li>• Contract specifications</li> <li>• Settlement</li> <li>• CTD and conversion factor</li> <li>• Hedging using Euro-Bund Futures</li> <li>• Duration/modified duration</li> <li>• Basis point value</li> <li>• Hedge ratios</li> </ul> <p><b>Money market futures</b></p> <ul style="list-style-type: none"> <li>• Forward rate and forward rate agreement</li> <li>• Contract specifications</li> <li>• Settlement</li> <li>• Trading</li> <li>• Hedging using money market futures</li> </ul> <p><b>Eurex index futures/ Eurex Single Stock Futures</b></p> <ul style="list-style-type: none"> <li>• Contract specifications</li> <li>• Settlement</li> <li>• Trading</li> <li>• Hedging using index futures</li> <li>• Correlation</li> <li>• Beta</li> </ul> | <p>Review of preparatory material and examination procedure</p> <p>Structure of the examination, weighting of questions</p> <p><b>Options fundamentals</b></p> <ul style="list-style-type: none"> <li>• Basic options positions</li> <li>• Eurex options</li> <li>• Risk/reward profiles of the positions</li> <li>• Pricing fundamentals</li> <li>• Examination questions related to the topic</li> </ul> <p>Joint exercises: Workbook</p> <p><b>Options pricing and indicators</b></p> <ul style="list-style-type: none"> <li>• Option pricing models</li> <li>• The greeks: Delta, Gamma, Theta, Vega, Rho</li> <li>• Volatility: implied vs. historical volatility</li> <li>• Using the Eurex StrategyMaster to simulate price changes</li> <li>• Using the Eurex StrategyMaster to map portfolio risk</li> <li>• Examination questions related to the topic</li> </ul> <p>Joint exercises/workbook/ examination questions</p> | <p><b>Eurex equity and index options</b></p> <ul style="list-style-type: none"> <li>• Contract specifications</li> <li>• StrategyWizard</li> <li>• Spreads/straddles/strangles etc.</li> <li>• Conversion/reversal/box</li> <li>• Synthetic positions</li> <li>• Examination questions related to the topic</li> </ul> <p>Examination questions/exercises</p> <p><b>Eurex equity and index options (continued)</b></p> <ul style="list-style-type: none"> <li>• Hedging</li> <li>• Correlation</li> <li>• Beta</li> </ul> <p><b>Eurex options on futures</b></p> <ul style="list-style-type: none"> <li>• Contract specifications</li> <li>• Pricing specifics</li> <li>• Strategies using options on futures</li> <li>• Examination questions related to the topic</li> </ul> <p>Joint exercises/workbook/ examination questions</p> | <p><b>Legal framework of the Eurex Exchanges</b></p> <ul style="list-style-type: none"> <li>• Duties of the Exchange Management and Exchange Council</li> <li>• Exchange memberships</li> </ul> <p><b>Eurex Clearing conditions</b></p> <ul style="list-style-type: none"> <li>• Membership requirements</li> <li>• Margin types</li> <li>• Futures delivery</li> <li>• Options exercise</li> <li>• Automatic exercise</li> <li>• Examination questions related to the topic</li> </ul> <p><b>Trading process flow</b></p> <ul style="list-style-type: none"> <li>• Order types (detail)</li> <li>• Options exercise</li> <li>• Automatic exercise</li> <li>• OTC Trades</li> <li>• Crosses/prearranged trades</li> <li>• Matching rules</li> <li>• Determination of opening prices</li> </ul> <p><b>Special trading rules</b></p> <ul style="list-style-type: none"> <li>• Trading on behalf</li> <li>• Mistrades</li> <li>• Examination questions related to the topic</li> </ul> <p><b>Introduction to the Eurex® Trading System</b></p> <ul style="list-style-type: none"> <li>• Trading system architecture</li> <li>• Structure</li> <li>• Technical requirements</li> <li>• Security/protective mechanisms</li> <li>• Profile handling</li> <li>• Key trading functions</li> <li>• Market overview/contract overview</li> <li>• Hands-on trading exercise</li> <li>• Eurex StrategyWizard<sup>SM</sup></li> <li>• Crosses/prearranged trades</li> <li>• OTC Trades</li> <li>• Trading support: messages, statistics</li> <li>• Examination questions related to the topic</li> </ul> |

# F +49-69-211-13763

Eurex Frankfurt AG, Capital Markets Academy,  
Mergenthalerallee 61, 65760 Eschborn, Germany

## Certificate Course Trading Derivatives Registration

### Personal details

|                         |                      |
|-------------------------|----------------------|
| NAME                    | FIRST NAME           |
| <input type="text"/>    | <input type="text"/> |
| PLACE AND DATE OF BIRTH |                      |
| <input type="text"/>    |                      |

### Home address

|                      |                      |
|----------------------|----------------------|
| STREET / POB         |                      |
| <input type="text"/> |                      |
| POSTCODE / TOWN      |                      |
| <input type="text"/> |                      |
| PHONE / FAX          | E-MAIL               |
| <input type="text"/> | <input type="text"/> |

### Business address

|                      |                      |
|----------------------|----------------------|
| EMPLOYER             |                      |
| <input type="text"/> |                      |
| STREET / POB         |                      |
| <input type="text"/> |                      |
| POSTCODE / TOWN      |                      |
| <input type="text"/> |                      |
| PHONE / FAX          | E-MAIL               |
| <input type="text"/> | <input type="text"/> |

### Billing address

HOME ADDRESS  BUSINESS ADDRESS

### Professional experience

|                      |                               |
|----------------------|-------------------------------|
| YEARS IN TOTAL       | YEARS IN THE FINANCIAL SECTOR |
| <input type="text"/> | <input type="text"/>          |

### Course details

|   |
|---|
| DATES   |
| <input type="radio"/> 05.03.–09.03.2012 <input type="radio"/> 27.08.–31.08.2012 |

### Payment

INVOICE CREDIT CARD:  VISACARD  MASTERCARD  VERIFICATION NUMBER

|                                      |
|--------------------------------------|
| CREDIT CARD OWNER                    |
| <input type="text"/>                 |
| CREDIT CARD NUMBER / EXPIRATION DATE |
| <input type="text"/>                 |

### Declaration of consent

I would like to receive information on the current training courses offered by Capital Markets Academy, Deutsche Börse AG.

I hereby expressly agree to the terms and conditions. I understand that I have the right to revoke the contract within two weeks, insofar as I am not a commercial customer (Kaufmann) within the meaning of the German Commercial Code (HGB). If you require hotel accomodation, please contact your travel agent. We regret that we cannot provide a booking service. In the event that a seminar is cancelled for any reason whatsoever, Eurex Frankfurt AG will not reimburse any travel/accommodation costs.

|                      |                       |
|----------------------|-----------------------|
| PLACE / DATE         | STAMP / SIGNATURE     |
| <input type="text"/> | <input type="text"/>  |
|                      | NAME IN BLOCK LETTERS |
|                      | <input type="text"/>  |

# Terms and conditions

## Subject matter of contract

The present Terms and Conditions for services of Eurex Frankfurt AG relating to training courses govern the performance of training services and the sale of learning software. The contractual services and the terms of participation are specified in the relevant catalog published (available as hardcopy or on the internet at [www.deutsche-boerse.com/academy](http://www.deutsche-boerse.com/academy)). The contracting parties are Eurex Frankfurt AG and the participants admitted to the training course or the purchasers of learning software (hereinafter collectively referred to as "Customers").

## Registration, adoption of contract

A contract with respect to participation in one of the training courses named or regarding the ordering of learning software is entered into following the completion and mailing of the registration form by the customer, either by e-mail, fax or in writing, and the mailing of a registration confirmation by Eurex Frankfurt AG.

## Training services

The nature and scope of the training services are outlined in the course descriptions contained in the catalog. The course contents may be subject to minor modifications without notice.

Provided that the training courses described in detail in the catalog are face-to-face sessions, Eurex Frankfurt AG shall conduct the training courses either on its own premises, on the premises of the participant or at external venues (for example, conference centers). Venue and time of face-to-face sessions will be specified in the confirmation of registration.

## Ordering of learning software

In addition to training courses, Eurex Frankfurt AG also offers learning software as outlined in the catalog. These can be Web-based Trainings (WBTs).

Eurex Frankfurt AG shall make WBTs available online using an access code for a period of three months. After this period, Eurex Frankfurt AG has the right to delete the WBT or to cancel the ordering party's access code.

## Prices, price changes, terms of payment

The seminar fees shall include the participation in the seminar, comprehensive seminar documentation and refreshments. Not included are the participant's travel and accommodation expenses.

The catalog prices valid on the date of ordering shall apply.

The seminar price shall usually be invoiced, plus value-added tax, prior to the commencement of the seminar. All invoices are payable immediately upon receipt without applying any discounts. Where payment is not received prior to commencement of the seminar, Eurex Frankfurt AG may refuse the relevant participant's participation in that seminar. No refunds will be made for services not accepted in their entirety.

## Copyright

Seminar documentation and learning software may not be duplicated, processed, amended, circulated or published in any other way without the written consent of Eurex Frankfurt AG.

## Liability

Eurex Frankfurt AG shall be liable for any damage or loss caused intentionally. However, in cases of gross negligence, Eurex Frankfurt AG shall only be liable to the extent that the damage or loss, which was intended to be prevented by the relevant duty of care, was foreseeable. Eurex Frankfurt AG shall be liable for ordinary negligence only where a material obligation has been breached whose breach jeopardizes

the achievement of the purpose of the contract. In such cases, Eurex Frankfurt AG shall only be liable vis-à-vis participants for any typical and foreseeable damage or loss. To the extent that Eurex Frankfurt AG is under an obligation to compensate for unavailing expenditure, the foregoing shall apply *mutatis mutandis*.

The seminar organizer shall not be liable for any damage to or the destruction or loss of participants' property in connection with the performance of the seminar, unless such damage, destruction or loss has been caused by gross negligence or intent on the part of Eurex Frankfurt AG. The statutory liability for injury to life, body or health in accordance with the German Product Liability Act (Produkthaftungsgesetz) shall not be affected.

The right to raise the objection of contributory negligence pursuant to section 254 of the German Civil Code (BGB) shall remain unaffected.

Eurex Frankfurt AG shall not be liable for any losses incurred as a consequence of act of God, riot, acts of war, natural disasters or other events for which it is not responsible (e.g. strikes, lock-outs, disruption of communications, actions by foreign or national governmental authorities) or as a consequence of technical disruptions (e.g. of the EDP system) caused other than by a culpable act. Force majeure also includes computer viruses or intentional attacks on EDP systems by "hackers", provided that appropriate measures had been taken for their prevention.

## Rescission, substitute participants, changes in bookings

Eurex Frankfurt AG is entitled to rescind the contract at short notice if the number of participants enrolled in the seminar at that time proves insufficient. A number of less than 10 participants shall be deemed to be insufficient. However, Eurex Frankfurt AG may, at its discretion, opt on a case-by-case basis to proceed with any seminar having a lower number of enrolled participants. Where participants have already paid seminar fees to Deutsche Börse AG, said fees shall be refunded in full. Any further claims of participants are excluded.

Furthermore, Eurex Frankfurt AG reserves the right to relocate and/or defer seminars or appoint a substitute trainer. Eurex Frankfurt AG shall notify the participant of any relocation, deferral or cancellation. Any further claims of participants are excluded.

Participants may cancel their participation in any such seminar and rescind the contract in writing, by e-mail or by fax (60485 Frankfurt/Main, Germany, Fax +49-69-211-137 63, e-mail: [academy@eurexchange.com](mailto:academy@eurexchange.com)) no less than three weeks prior to the commencement of said seminar. In such cases, Eurex Frankfurt AG will charge a fee of EUR 50 to cover its expenses. This fee will be offset from the seminar price to be refunded. To the extent that the seminar price already paid exceeds said fee, the seminar price shall be refunded. Participants have the right to prove that the actual expenses incurred by Eurex Frankfurt AG are in fact lower. Any further claims of participants are excluded.

Should participants be unable to participate in the seminar, they may nominate a substitute participant free of charge. In such cases, the cancellation of the contract entered into with the initial participant will be effected after conclusion of a contract with the substitute participant, and then only with the proviso that the contract between Eurex Frankfurt AG and substitute participant will be validly concluded no later than three weeks prior to commencement of the seminar.

Moreover, if participants are unable to participate on the seminar date booked, they may change their booking to another date up to three weeks prior to

the commencement of the booked seminar. In such cases, the relevant participant will be charged a processing fee of EUR 50. A change of booking within a period of less than three weeks is not possible.

Where participation in a seminar has not been cancelled within the time limit or where the contract between Eurex Frankfurt AG and a substitute participant has not been concluded within the time limit or in the event of non-participation, the full seminar price shall be payable or the seminar price already paid shall not be refunded, whichever may apply.

## Data protection

Pursuant to the Federal Data Protection Act, Customers are hereby notified that Eurex Frankfurt AG will store their full address as well as further information related to the order in machine-readable form and process this data electronically for tasks arising from this contract. Eurex Frankfurt AG guarantees that this data will be treated as strictly confidential. Eurex Frankfurt AG undertakes to treat all personal data received from Customers, in particular their names, addresses, age and invoice details, as strictly confidential and to refrain from making such data available to unauthorized third parties. Furthermore, by undertaking suitable measures (section 9 of the German Federal Data Protection Act) and by committing its staff to secrecy, Eurex Frankfurt AG shall ensure that confidentiality is observed for the term during which the services of Eurex Frankfurt AG are used and thereafter.

The disclosure of Customers' personal data to unauthorized third parties for any other purposes, in particular for the purpose of consultancy, advertising and market research, is prohibited unless the relevant Customers give their express permission to do so.

## Right of revocation

Customers are entitled to revoke the contract pursuant to section 312 b and section 312 d of the German Civil Code in conjunction with section 355 of the German Civil Code, provided that they are private and not commercial customers. This right shall apply for a period of two weeks and, in case of services, cannot commence before the contract is signed. The giving of reasons for the revocation is not required. It shall be sufficient to submit the declaration of revocation either in writing or on a permanent data carrier and/or to return the goods to Eurex Frankfurt AG – Capital Markets Academy – 60485 Frankfurt/Main, Germany within two weeks. The two-week revocation period shall commence one day after sending the registration form.

The revocation right does not apply to contracts relating to the delivery of goods prepared according to Customers' specifications or to goods which have evidently been tailored to meet personal requirements, and for the delivery of audio or video recordings or software once the consumer has removed the seals from the data carriers supplied.

## Governing law and legal venue

All legal relationships based on these General Terms and Conditions shall be subject to the laws of the Federal Republic of Germany to the exclusion of the UN Sales Convention.

To the extent permitted by law, legal venue for all disputes arising from the contractual relationship shall be Frankfurt am Main.

## Written form

The Parties agree that any amendments to the terms and conditions shall be made in writing only. This shall also apply to the stipulation of the General Terms and Conditions, requiring written form.