



# US Fixed Income Markets

10-12 Jun 2019, New York, USA  
\$3495

# Overview

This 3 day program is designed at an intermediate level. It is specifically designed to better acquaint the participants with a more in-depth understanding of the US Bond Market. Specific attention is paid to using current, real examples to illustrate the major learning points, as well as demystifying the jargon, terminology and “lingo” so unique to this product area. We review the feature/benefits of the various products within the Fixed Income Market, as well as the market dynamics and analysis of those instruments.

## **Who should Attend:**

This program is designed for those members of the financial industry who work in, or support the Fixed Income product area, including firms such as:

Asset Management (Buyside)

Banks/Brokers Dealers (Sellside)

Financial Intermediaries (Custodians, Depositories, Regulators)

## **Particularly, those who work in the following functions would most benefit:**

Sales and Sales Associates

Trade Support

IT and infrastructure

Credit and Risk Management Professionals

Audit

# Agenda

## **Day 1**

The Treasury market is the foundation of the U. S. bond market. It acts not only as a primary funding vehicle for the government, but a benchmark for the entire marketplace. This first day will discuss the products and marketplace which make up the Treasury Marketplace. Additionally we will discuss the factors that affect this market with particular emphasis on monetary policy, and the role and impact of the FOMC/Federal Reserve

1) Size and Scope of the US Fixed Income Market

2) Treasury Products

- a. Bill, Notes, Bonds, Strips and Tips
  - b. Primary Market
    - i. Dutch Auction Process
    - ii. When Issued ( W.I.) Trading
    - iii. Market Participants (Primary Dealers, Direct Bidders, “Non-Comps”)
- 3) The Yield Curve
- a. Shape and Slope
  - b. Role as a Benchmark
  - c. As a Forecasting Tool
- 4) Role of the Federal Reserve
- a. Function and Structure of the FOMC
  - b. Monetary Policy
    - i. Federal Funds
    - ii. Repurchase Agreements (“Repo”)
    - iii. Quantitative Easing
- 5) Money Market Instruments
- a. Commercial Paper
  - b. C.D’s
  - c. Repo
- 6) Agencies and Government Sponsored Enterprises
- a. Size and Scope
  - b. Understanding TVA, FFCB, FLB ( Non-Mortgage Agencies)
- 7) Current Issues/Trends
- a. “Unwinding” The Fed’s Balance Sheet
  - b. Shape of the Yield Curve (Inversion?)
  - c. Current Economic Outlook

## Day 2

- 1) Fixed Income Analytics
- a. Understanding Yields ( CY,YTM, YTC, YTW)
  - b. Demystifying Duration
  - c. Convexity
  - d. DV01/PV01
- 2) Credit Products – Corporate Bonds
- a. Structure
  - b. Optionalities (Puts, Calls, Sinking Funds, Convertibles)
  - c. Role of Rating Agencies
  - d. High Yield Securities
  - e. Credit Spreads
- 3) Credit Product – Municipal Bonds
- a. Size and Scope of the Marketplace
  - b. Structure ( General Obligation, Revenue Bonds)
  - c. Optionalities ( Pre-Refunded, Callable, Sinking Funds)
  - d. Tax Ramifications ( After Tax Yield, (ATY), Taxable Equivalent Yield (TEY)

- 4) Current Issues/Trends
  - a. "Credit Bubble?"
  - b. Role of the Rating Agencies
  - c. Preponderance of Baa/BBB Investment Grade in Today's Market

## **Day 3**

- 1) Understanding Mortgage Backed Securities (MBS)
  - a. Pass-Thru vs Pay Thru Structures (CMO's)
  - b. Agency vs "Whole Loan"
    - i. GNMA
    - ii. FNMA/FHLMC
    - iii. "Sub-Prime" (Whole loans)
    - iv. Tranching
- 2) Introduction to MBS Analytics
  - a. Understanding Prepayment Risk
  - b. PSA Assumptions
  - c. SMM/CPR
- 3) Asset Backed Securities – Collateralized Loan Obligations
  - a. Size and Scope of the Marketplace
  - b. Structure
- 4) Asset Backed Securities
  - a. Size and Scope of the Marketplace
  - b. "Receivables" Bonds (Credit Card, Auto Financing, Royalties)
  - c. Credit Enhancements
- 5) Current Issues/Trends
  - a. CLO Credit Bubble?
  - b. Role of Rating Agencies

# **Instructor**

## **William (Bill) Addiss**

As the principal of an international training firm, Mr. Addiss develops and facilitates educational programs for a variety of major financial institutions, government agencies and foreign governments. Institutions utilizing Mr. Addiss for their capital markets training include Deutsche Bank, The Securities and Exchange Commission (SEC), The Central Intelligence Agency (CIA), National Association of Security Dealers (NASD), Financial Industries Regulatory Authority, (FINRA) . Kuwait Investment Authority (KIA), Government of Estonia, Moodys,

Reuters, and Bloomberg Prior to establishing Amherst Financial Training in 1999 Mr. Addiss had a 23 year career on Wall Street. Starting with E.F. Hutton, he worked as an analyst with the Interest Rate Futures Department, Retail Stockbroker, and as National Sales Manager for Taxable Fixed Income. When E.F. Hutton was acquired by Shearson Lehman Brothers, his responsibilities were expanded to National Sales Manager for Fixed Income for the newly combined firms. His final position at Lehman Bros. Was as Managing Director, Executive Vice President in the Capital Markets Division. After Lehman Brothers, Mr. Addiss served as President of Community Securities, a subsidiary of Rochester Community Savings Bank. In this role, he developed and implemented a variety of initiatives to more fully integrate the full service broker/dealer into the parent holding company bank.

## Venue

### New York

This programme will take place on a Non-residential basis at a Central New York Hotel or training venue.

Non-residential course fees include training facilities, documentation, lunches and refreshments for the duration of the programme. Delegates are responsible for arranging their own accommodation, however, a list of convenient hotels (many at specially negotiated rates) is available upon registration.

You can take a look at some of our recommended hotels on this map. If you need help booking accommodation for your visit to our training courses, please contact [accommodation@euromoney.com](mailto:accommodation@euromoney.com) and one of our partners will help you get the best rate possible.