



Treasury Training for Public Sector Debt Management

4th - 6th June 2008
Dublin



Introduction

The purpose of this training programme is to provide an in-depth understanding of the key aspects of financial markets that are relevant to public sector debt management.

Debt management is a critical function for Finance Ministries and Debt Offices. Large transactions are undertaken in the financial markets and large exposures to financial market volatility exist. As a result, the activities of the debt management function can have very high positive or negative effects on debt service. It is essential that those responsible for these activities have the necessary expertise for their job responsibilities. It is also vital that 'best practice' controls are in place to properly manage the treasury activity.

English is the primary language of financial markets. Without 'financial English' treasury staff will be at a disadvantage when reading loan agreements and other financial contracts. This training will also cover the

common terminology of the financial markets so that participants will get the common language required to understand financial transactions.

Course Objectives

Module One is designed to give participants:

- A full appreciation of treasury 'best practice' organisation, roles and responsibilities.
- A detailed understanding of the essential 'building blocks' of financial market maths, and as a result, a framework to price standard financial instruments.
- A full understanding of the main treasury hedging instruments.
- 'Financial English' for the financial markets.

Module Two is designed for senior management staff to cover the important aspects of organisation, risk management and derivatives.

Who should attend?

This training is especially relevant to staff with responsibilities in the area of public sector debt management. This would include Heads of Front, Middle and Back Office and their senior staff, as well as senior management with overall responsibilities for those areas. Module One would also serve as a fast-track

learning process for staff new to treasury or for other staff such as internal auditors, or accountants who need to understand treasury in order to properly fulfil their roles. Module Two is designed for senior management staff who may decide to attend only that training.

FTI – Who we are

FTI is a specialist treasury management, consultancy and systems company, based in Dublin's International Financial Services Centre. Founded in 1988, we serve a wide range of corporate, bank and sovereign treasuries worldwide.

We specialise in the following areas:

- **Managed Treasury Solutions**

We provide treasury management to large clients on an 'agency' or 'outsourced' basis. This means providing Front, Mid and Back Office treasury services as agent for our clients, within well-defined policy and control frameworks. In this role, we offer treasury expertise, years of experience and complete independence.

- **Treasury Consultancy**

We provide treasury consultancy for all aspects of treasury: policy, strategy and control as well as the specifics of cash, debt and currency management. We also advise sovereign treasuries on the organisational, strategic and practical approaches to treasury and debt management. The 'managed treasury' solutions we provide to our clients means that practical, hands-on treasury supports all FTI consultancy.

- **Treasury Systems**

FTI-STAR is a specialist treasury system with a special focus on asset/liability management. FTI STAR covers both the operational and strategic needs of debt managers. By 'operational' we mean the day-to-day administration and debt servicing. By 'strategic' we mean how best to structure the portfolio so that costs and risks are minimised. 'Cost' and 'risk' have many dimensions and FTI-STAR meets the need for in-depth, expert and wide-ranging analyses and reporting.

Course Director

Eddie Fogarty, Managing Director, FTI

Eddie Fogarty is managing director of FTI, the Dublin-based treasury outsourcing, consulting and systems company. His specialist area is debt/risk management and associated systems. Over the past 20 years, he has worked with large corporate banking and sovereign borrowers throughout Europe.

Course Presenters

Justin Callaghan, Director Treasury Consultancy, FTI

Justin Callaghan is a director of FTI, with 15 years experience in the areas of cash and debt management and financial instrument dealing. He has provided consulting and operational support to sovereigns, multinational companies and financial institutions.

Etienne Brousse, Treasury Analyst, FTI

Etienne Brousse works in the treasury/cash management Front Office of FTI. His areas of expertise lie in interest rate analysis, FX derivatives trading and financial systems development.

Eamon Clarke, Treasury Consultant, FTI

Eamon Clarke is a Treasury Consultant of FTI, with 6 years experience in Front & Back Office roles. These roles have focused on the provision of cash management and foreign exchange solutions to both wholesale and retail clients.

Module 1 Treasury Essentials for Debt Management – Day 1

08:45 **Welcome and Registration**

Introduction to FTI

- Who we are
- Our services

Treasury 'Financial English'

10:30 **Coffee/Tea Break**

Operational Roles and Activities/Debt Office Organisation

- Front/Back Office
- Mid Office
- Control and Segregation of Responsibilities
 - Why is it important?
 - How is it achieved?

12:30-2:00 **Lunch**

Understanding the Basic Components of Debt Instruments – 1

- Drawdown/Repayment Options
- Fixed/Floating Rate
- Discount/Interest Bearing Instruments

15:30 **Coffee/Tea Break**

Understanding the Basic Components of Debt Instruments – 2

- Calculating Interest: Day counts, Value Dates etc
- Annuities
- Fee Types
- Prepayment Options
- Practical Session: Analysing Loan Agreements

17:00 **Questions and Answers**

17:15 **Close**

Module 1 Treasury Essentials for Debt Management – Day 2

09:00 **Start**

Essential Financial Market Maths – 1

- Present Value/Future Value
- Price/Yield relationship
- Yield Curves

10:30 **Coffee/Tea Break**

Essential Financial Market Maths – 2

- Zero Coupon Yield Curves
- Discounting Rates
- Average Maturity/Duration
- Practical Session: Pricing a Bond

12:30-2:00 **Lunch**

Foreign Exchange Instruments

- Spot contracts
- Forward contracts
- Calculating forward FX rates

Derivatives and Hedging Instruments – 1

- Swaps
- Explaining Interest Rate Swaps
- Explaining Currency Swaps

15:30 **Coffee/Tea Break**

Derivatives and Hedging Instruments – 2

- How Swaps are used to manage debt portfolios
- How to price Swaps
- Introducing Options

16:45 **Questions and Answers**

17:15 **Close**

Module 2 Managing the Public Sector Debt Office

08:45 **Welcome and Registration**

Introduction to FTI

- Who we are
- Our services

Management of Debt Office Organisation

- Front/Back Office
- Mid Office
- Staffing Requirements
- Control and Segregation of Responsibilities

11:15 **Coffee/Tea Break**

Identifying and Measuring Risk

- What are the risks?
- Measuring the financial market risks

- Debt Management Policy and Strategy
- Policy for use of Derivatives
- Key Reports & Management Information

12:30-2:00 **Lunch**

Using Derivatives for Strategic Debt Management

- Forward FX Rates
- Swaps: Structures, Uses and Pricing
- Options: Structures, Uses and Pricing
- FRAs: Structures, Uses and Pricing
- Caps, Collars and Floors
- Documentation

16:45 **Questions and Answers**

17:15 **Close**

Registration

DATES	Module 1: 4th and 5th June 2008 Module 2: 6th June 2008
VENUE	Dublin
COURSE FEE	Module 1: €800 Module 2: €500 The fee includes all tuition, lunches, and course documentation. Delegates are responsible for their own accommodation. A list of recommended hotels at special rates will be provided for this event. An invoice will be sent upon receipt of registration. Payment must be received a minimum of four weeks before the course begins. Delegates places are not guaranteed until payment has been received.
COURSE LANGUAGE	English
ENQUIRIES	Eamon Clarke, FTI. Tel.: +353 1 6360 000 Fax: +353 1 6700 285 E-mail: eclarke@fti.ie

We wish to register this delegate for the following module: *[Please copy this form for additional delegates]*

MODULE 1 MODULE 2

Family Name

First Name Mr/Ms/Mrs

Job Title

Department

Ministry/Organisation

Address

Tel.

Fax

E-mail

CANCELLATION POLICY: A full refund of the course fees, less €100 administration fees will be given for any cancellations received up to 20 working days before the event. Cancellations received less than 20 working days before the event are liable for the full course fee and no refunds will be given.

FTI reserves the right to cancel any event it deems necessary and will in such an event make a full refund of any registration fee. If for any reason FTI decides to amend or cancel the event we are not responsible for covering airfare, hotel or other costs incurred by registrants.

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