



Fixed Income Investment

Deepen your knowledge of managing bonds
and fixed income

Rated with
4.6/5

Fixed Income Investment provides a practical overview of the fixed income markets, with focus on the management of bond portfolios.



How you will benefit

- ✓ Increase your understanding of the different types of risk faced by bond portfolio managers
- ✓ Learn about measures of risk such as duration and convexity as well as more advanced measures
- ✓ Review fixed-income derivatives, options and swaps and understand their usefulness in bond portfolio management for hedging or speculating

Faculty

Pierre Hillion is the de Picciotto Chair at INSEAD in Alternative Investments and Visiting Professor at UCLA and CalTech. He received his MBA from Ecole HEC, holds a DEA from the Université Paris-Dauphine and a PhD from the University of California in Los Angeles (UCLA). At INSEAD, Pierre has received the Best Teacher Award for Cores and Electives on several occasions.

Pierre's research interests lie in the areas of empirical tests of asset pricing models, options pricing models, and empirical corporate finance. He has worked as academic advisor at Lombard Odier Darier Hentsch and Union Bancaire Privée.

🕒 3 days

💰 € 3,600

★★★★☆ 4.6/5

📅 Check AIF.nl for dates

Program Content

Risk and Return for Bonds without Embedded Options

- Yield measures
- Risk measures: Duration: Definition, usefulness, properties and limitations
- Risk Measures: Convexity: Definition, usefulness, properties and limitations
- Usefulness of duration in bond portfolio management: Immunization
- Usefulness of convexity in bond portfolio management: Butterfly swaps

Risk and Return for Bonds with Embedded Options

- Adjusted yield measures
- Adjusted risk measures:
 - Adjusted duration
 - Adjusted convexity
- Bond portfolio management for bonds with embedded options

New Measures of Risk

- Factor based measures of risk:
 - The shift
 - The tilt
 - The flex
- Key rate durations

Use of Derivative Instruments in Bond Portfolio Management

Interest Rate Swaps

- Interest rate swaps as portfolio of bonds
- Risk of interest rate swaps: Interest rate risk and credit risk
- Swap rationale
- Advanced swaps: Forwards and swaptions
- Usefulness of swaps in bond portfolio management

Options

- Pricing interest rate options:
 - Typology of interest rate options
 - Simple payoff diagrams
 - Pricing interest rate options: The Black, Derman and Toy Model

Use of Interest Rate Options in Bond Portfolio Management

- Pricing examples:
 - Bonds with embedded options
 - Sinking funds
- Reshaping bond portfolio returns with options
- Hedging asymmetric risk with options
- Duration hedging with convexity adjustment using futures and options

Enrolling & Practical Information

Enrollment requirements

AIF considers each enrollment application carefully to ensure the quality and level of the program is maintained and that participation of candidates is beneficial to both themselves and their organizations. The general prerequisite for all AIF programs is the possession of an academic or equivalent degree, as well as proficiency in English and practical experience.

Accommodation

AIF has special corporate rates available for participants at a number of hotels in central Amsterdam.

Certificates

An AIF certificate of attendance is awarded to all participants who successfully complete the program.

Program location

The programs are held in the center of Amsterdam, within an easy walk from Amsterdam Central Station, and within 30 minutes from Schiphol international airport.

Program fees

Program fees include tuition, all comprehensive program materials, books, and any software that is required for the program, as well as luncheons and daily refreshments. Accommodation is not included.

In-company programs

For information on how AIF can add value to your organization via a tailored in-company program, please contact AIF directly at: +31 20 520 0160.

Ready to learn more? Find your program and reserve your place at [AIF.nl](https://www.aif.nl)

About Amsterdam Institute of Finance

AIF is a global financial innovation and education institute headquartered in Amsterdam. Through our open enrollment programs in Amsterdam and our in-company programs throughout the world, we connect ambitious professionals with the best minds in finance and other related topics. Taking part in one of our programs is a direct investment in your personal future and the success of your organization.

This is what makes the AIF experience unique:

- We believe in responsible, sustainable and inclusive finance
- Our clients, rather than profits, come first
- AIF is an independent and not-for-profit foundation, which allows us to cherry-pick our faculty from the world's leading business schools, such as INSEAD, Oxford, Kellogg, Cambridge Judge and others
- AIF delivers top quality programs. Our alumni give our faculty an average rating of 4.6 out of 5.0
- Enrollment in one of our programs means you become part of the AIF network, connecting you to professionals from more than 1,200 organizations in over 110 countries

