

# Swaps, FOREX, Money Markets, and Global Banking

## Comprehending Modern Financial Intermediation

### Introduction

Understanding the modern functional responsibilities of global banking, financial intermediation, and the short-term money, foreign exchange, and swap markets is the main goal of this Course N Carry training session. It will look at many contemporary case studies pertaining to money transfers and the different goods and services that help financial intermediaries. The entire spectrum of international banking and money markets will also be covered in this session, including overnight deposits, SWIFT wire transfers, M1-M2-M3 L lending-rate benchmarks, and "prime" [LIBOR] lending-rate policies of individual nations and regions. The terms, models, risk positions, hedging, and the impact of money on lending, borrowing, and short-term marketable securities globally will be the main topics of discussion.

### The main points of this Course N Carry training seminar are:

- The functions and comparative relationships between the central banks in the US, China, Japan, the EU, and London.
- Every kind of regular currency exchange between people, companies, and countries
- The impact of short-term credit lines from the money markets on daily and overnight balances
- The impact of interest-bearing money market instruments on short-term liquid assets
- How interest and currency swap markets were created via financial engineering
- The impact of monetary policy on risk positions and short-term cash flow plans
- Foreign exchange, or FOREX, is involved in the cash and futures markets as well as put and call options.
- Techniques for handling relationships and transactions in banking and the money market

### Objectives

#### Following this GLOMACS training session, you will be qualified to:

- Examine the assets and liabilities of any company's short-term money market positions.
- Examine the risk associated with FOREX trades for both cash and futures holdings.
- Sort M1 M2 M3 and L balances differently in central bank monetary policy frameworks.
- Describe how daily cash flow transactions are balanced using financial intermediaries.
- Create a framework for evaluating the short-term "returns on money" of any organisation.

- Consider the benefits and drawbacks of risk management with put and call options on FOREX futures.
- Describe the main distinctions between FOREX cash and futures markets and currency swaps.
- Establish a practical interest-rate swap plan for the short-term liabilities of the company.
- Examine every kind of short-term money market instrument in comparison to cash reserves and credit terms

## Training Methodology

Using an inductive reasoning approach, this Course N Carry training seminar will introduce new vocabulary, concepts, models, and methods. A highly interactive case discussion will follow, with the goal of applying important processes in the global short-term money markets to real-world applications. The terms, conditions, goods, and services provided by banking intermediaries will be directly applied to the businesses, industries, and organisations of the participants in small-group team case projects. The primary focus is on being proactive in building a solid understanding of the daily operations of global banking and potential problems or risks related to monetary policies in both domestic and foreign markets, the balances of money market positions overnight and on a daily basis, and the ways to lessen the effects of negative movements in the foreign exchange and interest rate markets.

## Organizational impacts

By introducing banking, monetary policy, foreign exchange, and money market models, concepts, vocabulary, and viewpoints directly to their workplace, coworkers, staff, and senior management, attendees will see an instant return on investment (ROI) for their own enterprises / organisations. The attendees' ability to demonstrate a working grasp of these obviously applicable finance skills and abilities in the immediate context of their organisational and operational responsibilities is the concrete return on investment.

- A thorough comprehension of how monetary policy and global banks interact
- Creating plans for short-term money market transactions and cash flow management
- Proactively developing FOREX strategies to control currency values and risk exposure
- Derivative instruments for managing fixed and variable interest rate risks
- Efficiently evaluate short-term money market instruments that most closely align with cash flow projections
- Identify and serve as the point of contact for all relevant banking products and services.

## Personal Impact

**Participants will advance their personal career growth in the following ways:**

- Recognising particular money market tactics connected to international banking and cash flow management

- Promoting a fresh managerial ethos and viewpoint on global financial markets
- Improving their understanding of monetary policy and how it affects international trade and commerce
- Evaluate money market portfolio holdings impartially in light of international cash flow cycles.
- Adopt innovative strategies for FOREX cycle timing and risk minimization.
- Building short-term financial models for interest-rate securities and currencies

## Who should attend?

**A wide range of professionals can benefit from this Course N Carry training course, but the following are particularly noteworthy:**

- Anyone wishing to increase their understanding of how international monetary policies affect the cycles of cash flow for overseas payables that are being paid out as well as receivables that are coming in
- Anyone wishing to strengthen the short-term funding management of corporations or organisations from a financial standpoint for both international credit lines and liquid marketable securities
- Senior Operational Executives who seek to include cash flow risk mitigation in the company's global operations business model at every level
- Board members seeking to improve their fiduciary ability to control and lessen the exposure to FOREX risk in international alliances, markets, and transactions
- Executives in charge of business development who desire more extensive valuation effects for prospective business possibilities abroad and

## Course Outline

### Day 1

#### The Current State of International Banking

- The role of central banks in monetary policy variations, as well as SWIFT and related electronic fund transfers
- Clientele and Funds in Commercial Banking vs. Private Banking Management Guidelines
- The Goals of Quantitative Easing [QE] and How It Affects Lending and Borrowing Policies
- Balances of payments in international trade between nations and banking intermediaries
- The Effects of Other Short-Term Benchmark Interest Rates, U.S. Prime, and LIBOR
- The Impact of Eliminating the "Gold Standard" on Currency Valuation Support
- The Function and Dangers of "Offshore Banking" and Unregulated Transactions

### Day 2

## Understanding M1 M2 M3 and L Bankers' Acceptances [BAs]

- Foreign Trade Credit Letters in the Global Money Markets
- Repurchase Agreements (Repos), Commercial Paper T-Bills, and Yield Curve
- Determination: Consequences for International Interest Rates
- Deposit Certificates and Additional Short-Term Financial Instruments
- Both constant and changeable Credit Lines from Banks
- International "Money Centres" for Temporary Financial Intermediaries
- Strategies for Cash Flow Management

## Day 3

### Foreign exchange valuations (FOREX) and worldwide currency exchange

- Using Long and Short Currency Futures Contracts to Hedged Currency Risk Exposure
- Purchasing Power Parity and FOREX Conversion Pricing
- The Application of Put and Call Options for Mitigating Foreign Exchange Risk Exposure
- Euros and European Central Bank Policies in Opposition to the Pound Sterling and Bank of England
- GDP of the nation, interest rates, and fluctuations in relative currency
- Free-market supply and demand currencies contrasted with pegged currencies
- The Function of Ultimate Long Positions, Hedgers, and Speculators in FOREX Markets
- Novel Financially Intoned Products and Tenancy-Based Cash Flow Frameworks

## Day 4

### The International Swap Markets

- The Development and History of the Foreign Exchange Swap Market
- The Development and History of the Interest Rate Swap Market
- Portfolio Methods for Managing Foreign Exchange
- Interest rate swaps that are fixed for fixed, fixed for floating, and floating for floating
- Spreads in Bid-Ask Pricing, Nominal Principal and Settlement Valuations, and Market Efficiency in the Swap Markets
- Reducing Transaction Expenses in International Financial Intermediary

## Day 5

### New Frontiers, Roles, and Cryptocurrencies in Banking

- The Creation, Evolution, and Release of Two-Dozen Cryptocurrencies Adhere to Bitcoin's

Lead

- Global Banking Fees for Financial Intermediation Will Change Significantly
- Trade agreements, trade blocs, and novel approaches to "cash flow management";
- Privacy laws, financial disclosure, cartels, and collusion; and innovations in currency