



## Derivative for Non Finance Managers

### Objectives

The course will enable participants to understand the concept & benefit of plain vanilla derivative instruments and how to use derivative instruments to hedge market risk such as FX, interest rate, commodity & equity risks. It will familiarize participants with derivative terminology and concepts and provide a tool for risk management in a corporate setting rather than as instruments of speculation.

### Course Contents

- **Derivatives**  
As one of the mostly used as well as the most misunderstood financial jargon, derivative is actually one of the most effective hedging instruments. However, misunderstanding the concept will create a financial disaster not only among beginners, but also among the most sophisticated banks as well as hedge fund or other financial institutions.
- **Forwards / Futures**  
Although both forward & future are relatively similar, this course will clarify the difference as well as when to optimize the benefit of forward & future, respectively.
- **Swaps**  
Another popular financial jargon especially since the Asian crisis whereby FX & interest rate fluctuation resulted in a lot of bankruptcy. This course will clarify how to use swap to hedge FX, interest rate or both.
- **Options**  
Unlike a forward or future, options are financial instruments that convey the right, but not the obligation, to engage in a future transaction. This course will focus on the introduction of the concept, option-related terminology, cost-benefit analysis & how/when to use option effectively.



### Course Outlines

1. Market Risk & Derivative Instruments.
2. Futures & Forwards.
3. Swaps.
4. Call & Put Options.
5. Simple Use of Plain Vanilla Derivative Instrument.

### Designed For

Project Manager, Procurement Manager, Marketing/Sales Manager, Risk Manager, Accounting, Legal Manager and other managers and professionals interested in derivative terminology and concepts.

### Training Delivery

This instructor led course will require a lot of hands-on exercises and interactive discussions in a team-work oriented environment, group. The training is presented verbally in Indonesian with the course materials written in English.

### Duration

The duration is 2 days.