

Certificate Course on “Bond Issuance, Valuation and Analysis”

COURSE OBJECTIVE: To enable the participants to understand the issuance process, structuring, valuation and analysis of ‘Bond’.

COURSE OUTCOMES: At the completion of the course, the participants will be able to:

- Define and categorise ‘Bond’
- Understand the legal aspects regarding issuance of and investment in Bond
- Distinguish various types of Bonds and discover their applications
- Understand how to structure the bond
- Understand the valuation and analysis process of Bond
- Decide investment strategies based on financial goals, age, and personal factors

CONTENTS:

Module	Module Details
Module 1 (Day 1)	Bond Fundamentals <ul style="list-style-type: none"> - Definition of Bond - Fundamental characteristics - Features and Terminologies - Types and Structure - Global bond market - Bond market in Bangladesh - Challenges of issuance and investment in bond.
Module 2 (Day 2)	Regulatory Requirement for Issuing Bond <ul style="list-style-type: none"> - Bangladesh Securities and Exchange Commission (Private placement of Debt Securities) Rules, 2012 - Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2020 (Draft) - Public Issue Rules - Preparing IM - Due Diligence - Offering mechanism - Role of trustee - Remedy for investors
Module 3 (Day 3)	Risks associated with investing in bonds <ul style="list-style-type: none"> - Interest rate risk, yield curve risk, call and prepayment risk - Reinvestment risk, credit risk, liquidity risk - Exchange rate risk, inflation risk, volatility risk - Event risk, sovereign risk
Module 4 (Day 4)	The Valuation of Bonds: Part 1 <ul style="list-style-type: none"> - Determining the bond Price - Conventional Yield Measures - Total Return Analysis: Expected, contractual and realized - Yield-to-maturity: What it does and does not mean - The Full-Valuation Approach - Price Volatility Characteristics of Bonds - Price Value of a Basis Point - The Importance of Yield Volatility
Module 5 (Day 5)	The Valuation of Bonds: Part 2 <ul style="list-style-type: none"> - Elements of a Bond Valuation Model - Overview of the Bond Valuation Process Valuing an Option-Free Bond - Valuing a convertible zero Coupon Bond - Case Analysis on 20% convertible ACI zero coupon bond
Module 6 (Day 6)	The Analysis of Bonds: Part 1 <ul style="list-style-type: none"> - Importance of alternative bond yields - Term structure - Spot/Zero rates and forward rates

	<ul style="list-style-type: none"> - Spot/Zero rate yield curve and the forward rate curve - Uses of the spot rate curve - The alternative theories - Bond ratings and their purpose - Investment-grade bonds vs. high-yield (junk) bonds
Module 7 (Day 7)	The Analysis of Bonds: Part 2 <ul style="list-style-type: none"> - Duration - Modified, Effective and Empirical duration - Convexity - Static yield spread and option-adjusted spread - Factors affecting the level of bond yields - Economic forces cause changes in bond yields over time - Factors that cause differential percentage price changes for individual bonds
Module 8 (Day 8)	Necessary Ingredients for a bond market in Bd. Key Constraints & Key Enablers for bond market Information & Infrastructure Action Program for Development of Bond Market in Bd. <ul style="list-style-type: none"> - Have a robust legal framework on SPV and Clarify the Stamp –duty: - Equitable Fiscal incentives: - Enhancing Investor base - Enhancing Disclosure and Transparency standard of Issuer
Module 9 (Day 9)	Introduction to Islamic Bond (Sukuk) <ul style="list-style-type: none"> - Definition of Sukuk - Origin of Sukuk - Islamic financial contracts on Sukuk - Fundamental principles - Role of Investment Sukuk in economic development - Advantages of Sukuk from investors' perspective. - Difference between Bond and Sukuk - Parties of a Sukuk - 'Asset Backed Sukuk' vs. and 'Asset Based Sukuk' - Basic structure of Sukuk
Module 10 (Day 10)	Regulations, Structuring and Valuation of Sukuk <ul style="list-style-type: none"> - International Standard (AAOIFI Shari'ah Standard No. 17) - Bangladesh Securities and Exchange Commission (Investment Sukuk) Rules, 2019 - Structuring Sukuk - Role different parties of Sukuk - Challenges and future Development - Nature of cash flows provided by different types of Sukuk - Cash flow identification and its pattern - Pricing of different types of Sukuk - Case Study

TARGET AUDIENCE:

Investment Bankers, Financial Analysts, Corporate Financial Executives, Fund Managers, Equity Traders, Institutional Investors and Executives from Asset Management Companies, Brokerage Houses, Financial Institutions, Regulator and General Investors.