

Fixed Income Fundamentals and Derivatives, 7,5 HE credits

Räntebärande instrument och derivat, 7,5 hp

Established: 2023-09-27

Established by:

Applies from: H24

Learning outcomes

This course equips students with the tools required to understand the construction, the pricing and the risks of bonds and fixed income derivatives. The course introduces students to the state-of-the-art analytical tools and management strategies currently used by financial leaders.

Upon completion of the course, students should be able to:

Knowledge and understanding

- explain why various features of fixed income securities influence their pricing and risk
- describe the global fixed income markets, term structure of interest rates and derivatives
- explain mortgage-backed securities and interest-rate models

Skills and abilities

- choose scientific methods to quantify and analyze the price and value, as well as the duration of fixed income securities
- identify the fixed income securities to examine the status of market-wide interest rates and to manage interest rate risk

Judgement and approach

- motivate and assess theoretical and empirical issues in the field of fixed income securities and derivatives.

Entry requirements

Bachelor's degree of 180 HE credits with 90 HE credits in the major subject field of Economics with at least 7,5 HE credits in Finance at intermediate level and 7.5 HE credits in Econometrics or Statistics, or equivalent.

Alternatively, a bachelor's degree of 180 HE credits with 90 HE credits in the major subject field of Business Administration, with at least 7,5 HE credits in Micro economics and 7.5 HE credits in Macro economics and at least 7,5 HE credits in Finance at intermediate level and 7.5 HE credits in Econometrics or Statistics, or the equivalent.

Verified knowledge of English corresponding to the course English B/English 6 in the Swedish Upper Secondary School or equivalent

The forms of assessment of student performance

Written individual exam. Detailed instructions, grading criteria, and the schedule for all assessment elements for regular examination and re-examination will be presented in the course description at the course introduction.

Course contents

1. Fixed income securities
2. Pricing, risk, term structure of interest rates, yields
3. Mortgage-backed securities and interest-rate models
4. International Bonds
5. Mortgage Loans
6. Mortgage-Backed Securities
7. Asset-Backed Securities
8. Collective Investment Vehicles
9. Bond Portfolio Management Strategies
10. Bond Portfolio Construction
11. Sustainable Finance

Other regulations

Course grading: F/Fx/E/D/C/B/A - Insufficient, Insufficient- more work required before the credit can be awarded, Sufficient, Satisfactory, Good, Very Good, Excellent

Course language: The teaching is conducted in English.

General rules pertaining to examination at University West are available at www.hv.se.

If the student has a decision/recommendation on special support due to disability, the examiner has the right to examine the student in a customized examination form.

Cycle

Second cycle

Progressive specialization

A1N - second cycle, has only first-cycle course/s as entry requirements

Main field of study

Economics