

Understanding Inflation Products

June 7, 2012, Copenhagen

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08.30 **Light breakfast**

09.00 **Welcome and introduction**

09.15 **1. Introduction to the Market for Inflation Products**

- Development of the market
- Why are inflation products issued?
- Market participants
- The demand for inflation products
- Time lag and type of indexation

10.15 **Coffee Break**

10.30 **2. Inflation-linked Bonds**

- Introduction to Inflation-linked bonds
- Return Components
- Break-even Inflation
- Carry
- Modelling Inflation
- Seasonal patterns
- Investment strategies using inflation-linked bonds
- Measuring risk on inflation-linked bonds
 - Comparison to nominal bonds
 - Beta value
- Strategies in the Market

12.00 **Lunch**

13.00 **3. Inflation Derivatives**

- A short History of Inflation Swaps
- The Market for Inflation Derivatives
- Inflation Swaps
- Forward trading
- Options and Swaptions

14.30 **Coffee Break**

14.45 **4. Use of Inflation Products in Asset Management**

- Strategic Considerations
- Asset Liability Management
- Inflation products and portfolio optimisation
- Using global or domestic inflation products

16.00 **End of course and evaluation**

Price

The price for the course is DKK 6.000. The price includes course material, lunch and refreshments but is exclusive of VAT