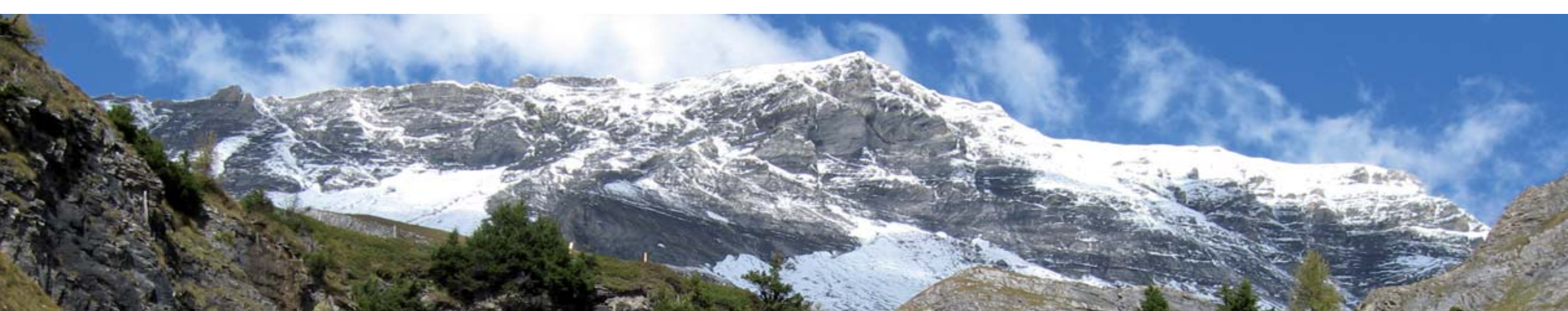
2010 Financial Asset Management and Engineering Program (FAME)

swiss:finance:institute



The Financial Asset Management and Engineering Program – a unique learning experience

The FAME Program provides a unique experience in learning the modern practices of asset management and financial engineering. For four weeks practitioners are challenged to apply advanced thinking to investing in real world situations. It is this intense focus on application which allows the FAME Program to achieve its singular impact.

Concepts are important by themselves, but it is only through their application that a deeper understanding can be achieved. The FAME Program is therefore carefully structured to interweave both concepts and practical applications so as to achieve an optimal learning impact. A mix of teaching methods supports this goal, combining lectures with class discussions, PC-based applications, market data systems and case work, while regular short tests allow the participants to assess their own progress. A major investment project accompanies the whole FAME Program, enabling participants to integrate what they have learnt into a complex practical situation.

The faculty of the FAME Program is made up of an international mix of renowned academics and highly experienced practitioners. Here too, the objective is to have best of the conceptual and the practical world combined.

And finally, the last ingredient to the success of the FAME Program is the participants. A small group of about 30 practitioners typically coming from about 15 countries from all over the world ensures an unparalleled diversity of experiences. The FAME Program draws heavily on this diverse background, emphasizing team work and group assignments to support the exchange of insights and to build an enduring professional network between the participants.

We encourage you to make use of this unique opportunity offered by the Swiss Finance Institute and the FAME Program to advance both your conceptual and practical insights into financial asset management and engineering!

Dr. Harry Hürzeler
Director Executive Education

Prof. François-Serge Lhabitant
Academic Director

The Swiss Finance Institute

The Swiss Finance Institute is a public/private partnership between universities and financial institutions with the goal of fostering high impact research and education in banking and finance. It connects to the global knowledge community through its faculty of over 100 researchers and its international network of sought-after instructors and opinion leaders.

In executive education the Swiss Finance Institute differentiates itself in two ways: First, its executive education offering is focussed purely on the finance industry, but with a global orientation. Second, the Swiss Finance Institute uses its unique position as a public/private partnership to combine academic insights from researchers, practical experiences from industry experts, and peer discussion among participants. This provides an excellent environment in which to nourish your own ambitions to meet new challenges in finance!

"The FAME Program was an intense 5 weeks of learning among highly-motivated international practitioners from the finance industry. From high-caliber hedge-fund managers and respected finance professors from around the world we were taught what financial engineering is all about. I can highly recommend this course to anyone having doubts. You do not only enhance your finance know-how but also your skills in social competence, this all in a beautiful surrounding at the lake of Geneva."

Hasnain Khimji, *COMIT AG, Zurich, Switzerland*

Program

The FAME Program

The FAME Program focuses on conceptual and practical knowledge in six key areas which are central to modern finance, and which are described further below:

- Fundamentals of finance and investments (optional)
- Asset management
- Foreign exchange and money market
- Derivatives
- Risk management
- Financial engineering

Fundamentals of Finance and Investments – Optional pre-program module

This pre-program module is an optional week which lays the foundations for the financial techniques used in the FAME Program. The module provides a concise introduction to classical concepts in finance, but its main emphasis is on applying these in a more formal way to real numerical situations, using prepared Excel spreadsheets. Topics addressed are:

- Statistics for asset management (computation of return and volatility, interest rates and term structure)
- Modern portfolio theory (risk and return, diversification, efficient frontier)
- Fixed income (bond pricing, duration, convexity, interest-rate immunization)
- Futures and options (spot-future parity, Black-Scholes)
- Value-at-risk.

While this module is optional, it is strongly recommended for all FAME participants except for those with excellent quantitative skills.

Asset Management

This is the key module of the program. The objective of the module is to provide a thorough understanding of how the most recent quantitative techniques can be used in asset management. The module is placed in the context of a portfolio management project, where participants construct and manage a portfolio in real-time. They thus have the opportunity to apply the techniques taught in the course in a real-world environment.

Building on the fundamentals of portfolio theory and fixed-income management, the module investigates international asset allocation, analyzes the quantitative tools to manage passive and active portfolios, and discusses the principal hedge fund strategies.

More specifically, the module addresses the following:

- Basic portfolio theory (efficient frontier, mean-variance portfolio allocation, multiple factor models, CAPM)
- Fixed-income management (duration and convexity, mortgage-backed securities, fixed-income portfolio allocation, interest-rate risk management)
- Portfolio management (active versus passive management, portfolio risk, rebalancing strategies)
- International asset allocation (international allocation and diversification, impact of currency risk, principles of overlay management)
- Hedge funds (long/short, global macro, arbitrage strategies, hedge fund portfolio management).

Foreign Exchange and Money Market

The ever-increasing economic and financial integration of countries has increased the internationalization of portfolios. This in turn has had an impact on the importance of FX management as well as international money markets. This module addresses some of the most important instruments available, such as forward rates, FRAs, repos, interest-rate futures, money market swaps, and indexed swaps.

Derivatives

A good grasp of derivatives and the working of the respective markets are essential for practitioners. This includes understanding both plain vanilla as well as complex derivative products on the onehand, but it also includes the knowledge of how to apply these products to hedge risks and manage exposure. Through case studies and applied workshops participants are able to gain practical experience with these more advanced products. Specifically, this module addresses the following topics:

- Vanilla options (option-pricing with Black-Scholes, option strategies for hedging, directional trading)
- Complex options (Exotic options, Double No-Touch options, etc.)
- Managing the risk of a derivative position
- Applying derivatives in portfolio management.

Risk Management

The Risk Management module provides an overview of the most recent techniques used in risk management of portfolios. Participants are introduced to:

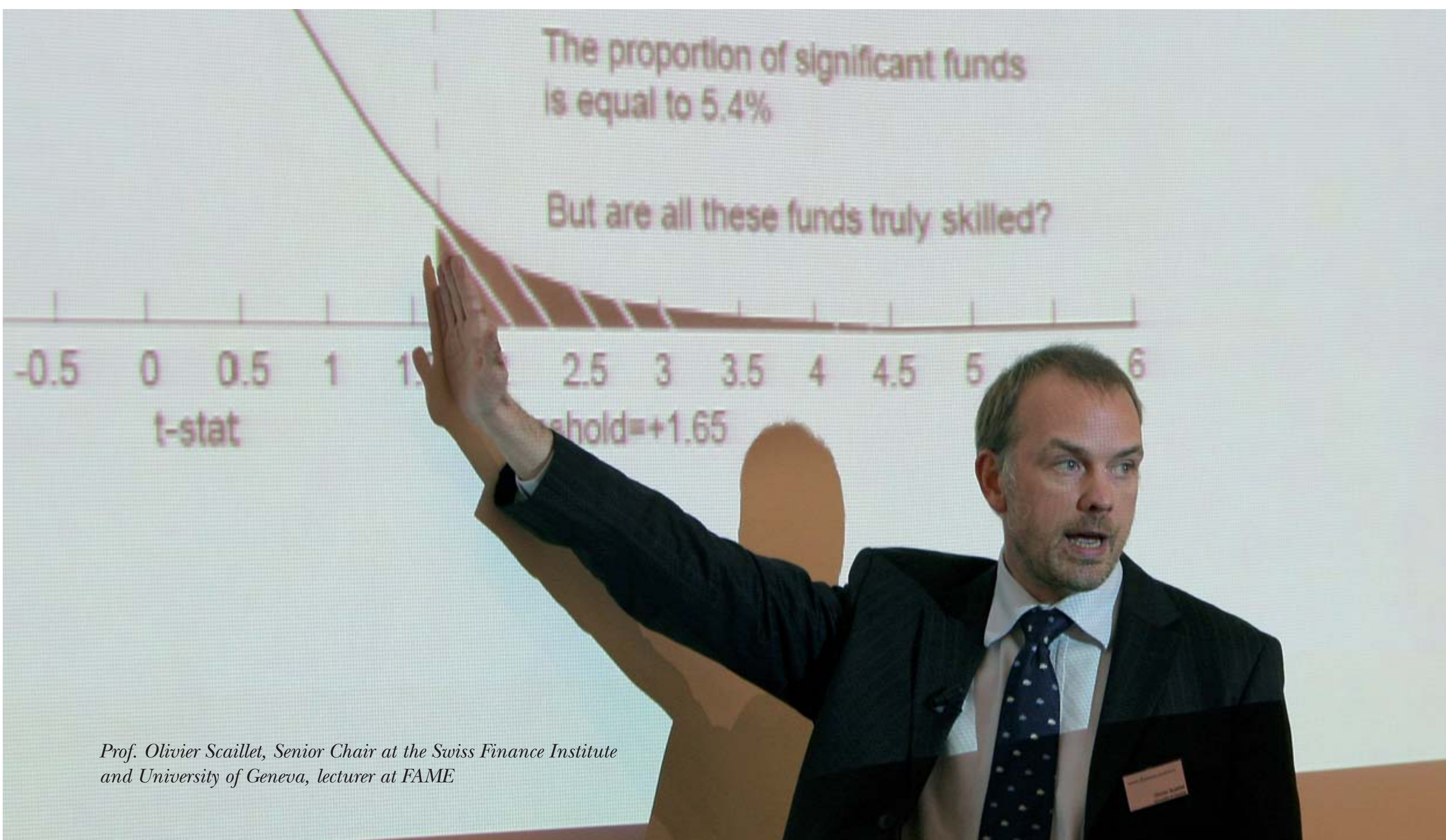
- Risks faced by financial institutions (market risk, credit risk, operational risk, model risk and liquidity risk)

- Principles of risk management (based on well-known practical cases)
- Extreme value theory (Value-at-Risk estimation, historical simulations, Monte Carlo and delta normal method)
- Empirical and theoretical issues on corporate credit risk (probability of default, recovery rates)
- Structural and reduced-form models of default risk.

Financial Engineering

Building on the knowledge acquired during the first weeks of the FAME Program, participants learn how to price derivative and structured products. Financial Engineering is the final module, and as such is highly participatory, and significant time is devoted to group work. This enables the participants to assess how well they are able to integrate what they have learnt in the first weeks into a more complex realistic scenario. Specifically, the module covers the following topics:

- Construction and pricing of complex structured products
- Reverse engineering of structured products
- Measuring time-varying volatility in financial time series and implications on volatility trading strategies
- Selected current examples (for example credit default swaps, collateral debt obligations, leveraged super senior notes).



Prof. Olivier Scaillet, Senior Chair at the Swiss Finance Institute and University of Geneva, lecturer at FAME

Calendar 2010*

WEEK 1
Fundamentals of Finance and Investments

July 19	July 20	July 21	July 22	July 23
Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments
Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments
Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments
Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments	Fundamentals of Finance and Investments

WEEK 2
Portfolio Management, FX and Money Market

July 26	July 27	July 28	July 29	July 30
Portfolio Management	Portfolio Management	Group Work	FX and Money Market	FX and Money Market
Portfolio Management	Portfolio Management	Equity Portfolio Management and International Allocation	FX and Money Market	FX and Money Market
Portfolio Management	Portfolio Management	Equity Portfolio Management and International Allocation	FX and Money Market	FX and Money Market
Portfolio Management	Portfolio Management	Equity Portfolio Management and International Allocation	FX and Money Market	Group Work

WEEK 3
Options and Bonds

August 2	August 3	August 4	August 5	August 6
Options	Options	Bond Portfolio Management	Bond Portfolio Management	Bond Portfolio Management
Options	Options	Bond Portfolio Management	Bond Portfolio Management	Bond Portfolio Management
Options	Options	Bond Portfolio Management	Bond Portfolio Management	Bond Portfolio Management
Options	Options	Group Work	Bond Portfolio Management	Group Work

WEEK 4
Risk Management and Hedge Funds

August 9	August 10	August 11	August 12	August 13
Downside Risk	Downside Risk	Credit Risk	Compliance	Hedge Funds
Downside Risk	Downside Risk	Credit Risk	Compliance	Hedge Funds
Downside Risk	Credit Risk	Group Work	Hedge Funds	Hedge Funds
Downside Risk	Credit Risk	Group Work	Hedge Funds	Hedge Funds

WEEK 5
Financial Engineering

August 16	August 17	August 18	August 19	August 20
Financial Engineering	Financial Engineering	Financial Engineering	Financial Engineering	Final Project Presentation
Financial Engineering	Financial Engineering	Financial Engineering	Financial Engineering	Final Project Presentation
Financial Engineering	Financial Engineering	Financial Engineering	Group Work	Graduation
Financial Engineering	Financial Engineering	Financial Engineering	Group Work	Graduation

- Foundation, Prerequisites and Tools
- Asset Management
- Derivatives
- Foreign Exchange and Money Market
- Risk Management
- Financial Engineering
- Review and Project Work

* Program details are subject to change

Participants

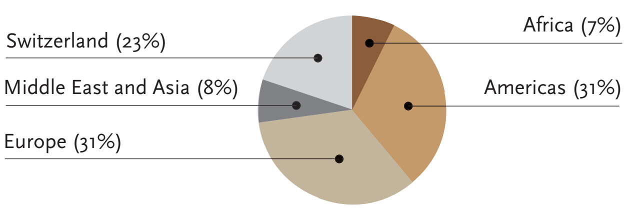
The FAME Program is primarily aimed at professional asset managers with several years of experience who are aiming to advance their understanding of modern techniques and methods applied in asset management. The program is also suitable for practitioners from other finance industries who wish to deepen their understanding of modern portfolio management, such as wealth managers, or practitioners who are looking for a career change.

A selective number of less experienced graduates are accepted into the program if they have a university degree in finance. For these graduates the FAME Program is an excellent immersion into the practical applications of finance.

In the past 13 years, participants from over 40 countries have earned the FAME Certificate. Typical functions were:
Head of Portfolio Management : Head of Investments : Senior Portfolio Manager : Quantitative Portfolio Manager : Pension Fund Manager : Investment Strategist : Investment Analyst : Hedge Fund Analyst : Investment Consultant : Pension Consultant : Head of Institutional Sales and Marketing : Institutional Relationship Manager : Private Wealth Manager : Product Manager : Head of Performance Analysis : Head of Portfolio Risk Analysis : Risk Management Officer : Research Analyst : Economist : Chief Financial Officer.

Some of the companies sponsoring participants to the FAME Program in the past have been:
Abu Dhabi Investment Authority : ABN AMRO : Banca d'Italia : Bank for International Settlements : Bank Julius Bär & Co. AG : BAWAG : Capital Market Authority Saudi Arabia : Central Bank of Nigeria : Commissione Nazionale per le Società e la Borsa (Consob) : Crédit Suisse : Croatian National Bank : DEXIA Crediop : Government Pension Fund - Thailand : Hang Seng Bank Ltd. : ING Bank : International Finance Corporation : Lombard Odier Darier Hentsch & Cie : Monetary Authority of Singapore : Nordea Bank SA : Österreichische Volksbanken AG : Pacific Alternative Asset Management Company (PAAMCO) : Southeast Bank Limited : Standard Chartered Bank International : Swiss Mobiliar : UBS Global Asset Management : Westpac Institutional Bank.

Origin of FAME Participants 2009



Faculty

The Swiss Finance Institute draws on the resources of its own members – practitioners and academics – and also relies on international specialists to ensure the highest standards of expertise. Faculty members have been chosen for their demonstrated ability to conduct executive education, as well as for their recognized expertise in their respective fields. The program is placed under the scientific supervision of **Professor François-Serge Lhabitant**.

José Antonio Blanco

José Antonio Blanco is the Regional Chief Investment Officer, EMEA, at UBS Global Asset Management, and is a member of various Management Committees. He is also a member of the UBS Wealth Management and Swiss Bank Mandate Committee and heads the institutional Swiss Investment Committee. In his role José Antonio Blanco supervises the investment and research activities for continental Europe, and is part of the Global Investment Solutions business area, where he heads the Portfolio Engineering team. Prior to his present position José Antonio Blanco was the head of EMEA portfolio engineering and investment research. José Antonio Blanco has a PhD from the University of Zurich.

Gregory Ciresi

Gregory Ciresi has a degree in physics, and a Masters in mathematical finance from the Courant Institute of Mathematical Sciences, New York University. He has worked as a programmer and quantitative analyst for several large equity and fixed-income hedge funds. Currently, he is Senior Financial Engineer of Structured Portfolios in the Debt Capital Markets Group at Cantor Fitzgerald. Outside academia, he has delivered seminars on Financial Modeling with S-Plus in New York and London. At NYU, he teaches courses on CDOs and exotic option pricing. At Baruch College CUNY, his courses include fixed-income risk management and statistical arbitrage.

Richard Comotto

Richard Comotto is a Teaching Fellow at the ICMA Centre at the University of Reading in England, responsible for the post-graduate module on short-term financial markets (FX, money markets and securities financing). He is course director for the Professional Repo Market Course delivered jointly by ICMA, ACI and SIFMA in Europe and Asia, and for the new ICMA GMRA Workshop. He is director of the ICMA semi-annual survey of the European repo market and an independent consultant providing research, support and training on the institutional money, securities and derivatives markets to a wide range of clients, including professional market associations, government agencies, regulatory authorities, banks, brokers and information services, both in the City of London and outside the UK. Has recently advised the World Bank on the reform of repo markets in Egypt and Nigeria. Special interests include securities financing, collateral management and electronic trading in OTC markets. He served for 10 years in the Bank of England (1979-89), including the Bank's International and Foreign Exchange Divisions and on secondment to the UK Delegation to the International Monetary Fund in Washington DC (1987-89).

Robert Kosowski

Robert Kosowski is head of the Risk Management Lab and Centre for Hedge Fund Research and Assistant Professor in the Finance Group of Imperial College Business School in London. Robert Kosowski's research interests include asset pricing and financial econometrics with a focus on the performance and risk of mutual funds, hedge funds, analyst recommendations and derivative trading strategies. Robert's research has been published in top finance journals such as The Journal of Finance and The Journal of Financial Economics and has been featured in publications such as The Financial Times and The Wall Street Journal. Robert has consulted for organizations such as the IMF and the IIF, and has worked for companies such as Goldman Sachs and Deutsche Bank.

François-Serge Lhabitant

François-Serge Lhabitant is currently the CIO of Kedge Capital Fund Management. He was formerly a Member of Senior Management at Union Bancaire Privée and a Director at UBS/Global Asset Management in charge of building quantitative models for portfolio management and hedge funds. On the academic side, François-Serge is currently a Professor of Finance at the EDHEC Business School (France) and a Visiting Professor of Finance at the Hong Kong University of Science and Technology. François-Serge's expertise is in the areas of quantitative portfolio management and alternative investments (hedge funds). He is the author of several books and articles on these subjects.

Alfred Mettler

Alfred Mettler is Professor of Finance at Georgia State University, Atlanta, and the former Managing Director of its Center for Enterprise Risk Management and Assurance Services (CERMAS). He received his MBA and PhD in Finance from the University of Zurich (Switzerland) and has been on the faculty of the Swiss Banking Institute (University of Zurich/Switzerland), New York University (Stern School of Business), and Thunderbird (The Garvin School of International Management). He has won several teaching awards, including the faculty recognition award for teaching and the students' Crystal Apple award for excellence in teaching at GSU. His principal academic interests are in International Banking and Finance, Risk Management of Financial Institutions, and Financial Education. Professor Mettler's research focuses on equity/debt financing of corporations, enterprise risk management applications, and the management of credit risk exposures. He has leading roles in several Executive Education Programs in Europe and the US and has consulted for various companies and organizations, including the Swiss Government, UBS, Morgan Stanley, Swiss Bank Corp., Nestlé, Lucent, and others.

Erwan Morellec

Erwan Morellec is Professor of Finance at the Ecole Polytechnique Fédérale de Lausanne (Switzerland) and holds a Senior Chair at the Swiss Finance Institute. Formerly on the faculty of the Simon School of Business of the University of Rochester (USA), he holds a PhD in Finance from HEC Paris. He is Project Director for the Swiss National Science Foundation, the Head of the Swiss Finance Institute PhD Program, and a CEPR Research Fellow. He has research interests in corporate finance and asset pricing. His papers have been published in a variety of academic journals including the Journal of Finance, the Journal of Financial Economics, the Review of Financial Studies, the Journal of Business, and the Journal of Economic Theory.

Olivier Scaillet

Olivier Scaillet is Professor of Probability and Statistics at the HEC, University of Geneva (Switzerland) and holds a Senior Chair at the Swiss Finance Institute. He holds both a Masters and a PhD from University Paris IX Dauphine in applied mathematics. Professor Scaillet's research expertise is in the area of derivatives pricing, econometric theory and econometrics applied to finance and insurance. He has published several papers in leading journals in econometrics and finance, has co-authored a book on financial econometrics, and has won an award for the best paper published in the Journal of Empirical Finance. Professor Scaillet is also associate editor of the Journal of Business and Economic Statistics of the American Statistical Association, and he is a long standing adviser for the research team of BNP Paribas in Paris and London.

Franco Taisch

Franco Taisch is Full Professor (Ordinarius) for Business Law and Managing Director of the Institute of Business Law at the University of Lucerne. He is Adjunct Faculty Member of the Executive School of Management, Technology and Law at the University of St. Gallen and Adjunct Faculty Member of SFI. He is Managing Director with taischconsulting and Member of the Board of Directors of various domestic and foreign companies, today inter alia, Member of the Audit Committee of the Raiffeisen Group and Chairman of Swiss Rock Asset Management. Prior to that Franco Taisch was Attorney at Law in Zurich, Geneva and New York and Member of the Executive Board and Executive of various companies; last appointed Member of the Executive Board and General Counsel of the Julius Baer Group.

Vincenzo Zinnà

Vincenzo Zinnà is Director at Credit Suisse since Sept. 2009. As Product Manager Derivatives he is responsible to activate the trading in Derivatives issued by Credit Suisse. Before he was Director and Member of the Senior Management at Swissquote, a Swiss bank, where he headed the Sales & Client Relations Group responsible for institutional clients. Vincenzo Zinnà has many years of experience as an active Derivatives trader, as a sales manager for derivative products, and as a trainer of derivative products. Vincenzo Zinnà worked at the Swiss Options and Financial Futures Exchange SOFFEX where he was responsible for the selling of SOFFEX products as well as for the training of UBS employees in SOFFEX products, before becoming a market maker at SOFFEX. Subsequently he moved to Credit Suisse, where he first sold derivative trading strategies to institutional clients, and then, at Credit Suisse Financial Products, became responsible for the structuring, marketing and selling of the REVEXUS and TORO products. In 1999, he co-founded Finance@Work, a company providing financial training.

Diploma, Application and Organization

Diploma
Participants who have successfully completed the 4-week FAME Program, including all tests and the assigned project, are awarded the Diploma of Financial Asset Management and Engineering from the Swiss Finance Institute.

Assessment
During each module candidates are assessed on their proficiency in the subject, either through individual or group tests or assignments. At the end of the program a global assessment is conducted covering the whole program. A group project is assigned which is to be completed during the program and presented in the final week. The Institute retains the right to disclose the global ranking of candidates at its discretion.

Date and Place
The FAME Program takes place from July 26, 2010 to August 20, 2010 in Lausanne, Switzerland. The optional pre-program module takes place from July 19 to July 23 also in Lausanne, Switzerland.

Application
To apply, please complete and sign the enclosed application form or reserve online by visiting: www.sfi.ch/applyfame

Admission
Admission to the program is determined on a competitive basis as the number of candidates is strictly limited so as to guarantee the quality of the program. All applications are reviewed by the Admission Committee. The Committee's decision is final.

Fees
The price of the 4+1-week program is CHF 17,900 (CHF 15,900 for four weeks) and covers tuition, extensive course material, lunches during the program, and official events. An invoice will be sent with notification of admission. Payment is due upon receipt of the invoice in order to secure a place in the program.
*A **10% discount** will be applied to registrations received **before May 1, 2010**.*

Grants
A maximum of five grants of up to CHF 6,000 are available for participants from emerging markets. In addition, a limited number of student grants are available for students who are in the process of completing a post-graduate university diploma in economics or finance or equivalent, or who have completed such a program in the last 12 months. Qualifying students may benefit from a reduction of up to CHF 10,000. In order to be considered for these grants, applicants must include a separate letter requesting financial assistance and state their reasons for qualifying. All financing decisions are made by the Admission Committee at the end of April and any requests after that date will not be considered. The Committee's decision is final. Awarded grants will be applied to the tuition fee. Grants will only be made available for those who do not receive outside financial assistance or sponsoring.

Cancellation Policy
Cancellations received more than 30 days prior to the beginning of the course are not subject to any penalty. Cancellations within 30 days of the start of the course will be charged 50% of the course fee, cancellations within 10 days will be charged 100% of the course fee. Cancellations must be confirmed in writing, otherwise the full amount will be due. Non-payment of tuition does not constitute a cancellation. Substitutions may be made prior to the start of the course.

Suggested Preparation
It is recommended that applicants have knowledge of the theoretical foundations of portfolio management and financial engineering. A good command of standard PC applications (particularly Excel® spreadsheets) is needed. It is also strongly recommended that participants with a weakness in a required area take the pre-program course "Fundamentals of Finance and Investments".

Work Schedule
A typical daily schedule includes morning sessions devoted to lectures, usually starting at 9:00 a.m. and afternoon sessions with further lectures and work on cases and projects, ending at approximately 5:30 p.m. The evenings are devoted to individual reading and preparation of case studies. A series of extra-curricular activities are organized for participants each week.

Location and Accommodation
The program takes place in Lausanne, Switzerland. Fees do not include housing and meals outside the program and participants are responsible for their own accommodation arrangements. The Swiss Finance Institute will provide a list of recommended hotels and studios close to the University Campus.

Accreditation
The Swiss Finance Institute is registered with the CFA institute as an Approved Provider of Continuing Education programs. The FAME Program is eligible for 40 credit hours. If you are a CFA member, CE credit for you attendance will be automatically recorded in your CE Diary.

Inquiries
For further information and inquiries, please contact:

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Program Manager

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UNIL | Université de Lausanne

The University of Lausanne is a partner of the Swiss Finance Institute.
We are grateful to the University for its outstanding support and the use of its facilities during the FAME Program.

"Participating in the FAME Program remains one of the best decisions I have ever made in my life. I was privileged to be taught by renowned finance experts who presented the fundamentals and intricacies of asset management and financial engineering in an unbelievably concise manner. Moreover, the knowledge and the exposure that I got from the prestigious program have been helping me in no small measure in my current research."

Akwum Onwunta, *Deutsche Bank AG, Frankfurt, Germany*

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