United Nations Institute for Training and Research

Unitar Online Catalogue

Fundamentals of the Foreign Exchange Market

Type:	Course
Location:	Web-based
Date:	4 Apr 2011 to 6 May 2011
Duration:	5 Weeks
Programme Area:	Public Finance and Trade
Website:	http://www.unitar.org/pft/elearning
Price:	$400.00
Event Focal Point Email:	pft-elearning@unitar.org

BACKGROUND

The foreign exchange market (forex, FX, or currency market) is a worldwide decentralized over-the-counter financial market for the trading of currencies. Financial centers around the world function as anchors of trading between a wide range of different types of buyers and sellers around the clock. The purpose of the foreign exchange market 'Forex' is to assist international trade and investment. The foreign exchange market allows businesses to convert one currency to another foreign currency. For example, it permits a U.S. business to import European goods and pay Euros, even though the business's income is in U.S. dollars. In this course all aspects of the forex market are covered, including its organisational structure, cross rates, spreads, quotation conventions, the role

and importance of exchange rates, its participants, its relationship with the balance of payments and the money stock, and other relevant issues.

LEARNING OBJECTIVES

At the end of the course, the participants should be able to:

- Recognize the basics of the foreign exchange market;
- Describe the characteristics of the forward market and the four types of forward contracts namely: outright forwards, forex swaps, forwards-forwards, and option date forwards;
- Illustrate the differences between and among currency futures, currency options, and currency swaps;
- Examine the risks in the forex market;
- Determine the participants in the forex market and their respective roles; and
- Appraise the effect of the forex market on money stock and money market liquidity.

CONTENT AND STRUCTURE

The course consists of the following modules:

- Module 1 Forex Market: Essence
- Module 2 Forex Market: Derivatives: Forwards
- Module 3 Forex Market: Derivatives: Futures, Options and Swaps
- Module 4 Forex Market: Risks other than Currency Risk; other Risk Management Tools
- Module 5 Forex Market: Participants
- Module 6 Forex Market: Effect on Money Stock; Money Market Liquidity

METHODOLOGY

In order to ensure the best possible outreach, the course will be delivered through e-learning. Through a multiple-instructional setting, the goal is to achieve the learning objectives by means of learning technologies that match personal learning styles and by the inclusion of non-linear learning that aims at the development of just-in-time skills of adult learners. At the same time, in order to

allow participants maximum flexibility of scheduling , the learning will be conducted in an asynchronous manner. Using a state-of-the-art training architecture, UNITAR will combine self-learning with assessments and online discussions. The pedagogy - adapted specifically to professionals in full-time work - will help train participants through various experiences: absorb (read); do (activity); interact (socialize); reflect (relate to one’s own reality).

TARGETED AUDIENCE

The intended audience includes members and employees of securities exchanges, dealers in forex and other parts of the financial sector, financial market analysts, economists, company treasury managers and dealers, employees of treasury management (outsourcing) companies, private sector bankers, central bankers, and government treasury officials.

ADDITIONAL INFORMATION

A certificate of completion will be issued by UNITAR to all participants who complete the course-related assignments and assessments successfully.