

Interest Rate Derivatives: A Beginner's Module

- **Interest Rates and Time Value Of Money**
Introduction; Factors affecting the level of interest rate; Impact and classification of interest rate and Present value, Future value and Discount factor.
- **Money and Fixed Income Markets**
Money markets and Fixed income markets.
- **Government Bonds**
Introduction to and Characteristics of Bonds; Concept of yield; Relationship between bond price and interest Rate Repo and cost of funding and other bond terminology.
- **Interest Rate Derivatives**
OTC Derivatives; Exchange traded contracts and key terminology and futures market
- **Interest Rate Futures (IRF) in India**
Interest rate futures; Rationale; Contract specifications; Settlement and Risk Management