5-DAY TRAINING COURSE:
HEDGE FUND STRATEGIES

This course is extremely practical. Participants play trading games, and have to solve many exercises & cases. A steep learning curve and an increase of both knowledge and skills will be the result.

Set up

This extensive 5-day training course is designed to provide participants insights in how they can optimize their trading strategies & techniques. These strategies refer to 'what' is traded and 'why' (hedging, arbitrage, speculation). The techniques refer to 'how' to organize the mitigation of risk, and 'how' to profit from so-called prop strategies. They also refer to the question 'how' to execute the strategies in the most optimal way. The whole spectrum of approaches to trading is covered, from risk management to proprietary trading, such as arbitrage and speculation.

Training

The training sessions have a strong interactive character whereby the contribution of participants is of utmost importance. A clear overview of the working of the energy derivatives is given during the training sessions by means of questions, theory and theses.

Learning objectives

The learning objectives of this extensive education programme are to acquire insight and knowledge of, and practical skills regarding:

- Risk versus return
- Dispurtion & volatility trading
- Skew, leptokurtosis & volatility smiles
- Derivatives positions
- Combining options and futures
- Option combinations
- Premium long versus premium short
- Correlation trading
- Spread trading
- Statistical arbitrage
- Gamma trading
- Delta hedging
- Hedge ratio's

Target group

This course is particularly suitable for:

- Traders
- Risk managers
- Portfolio & asset managers
- Back office employees
- Regulators
- Staff of exchanges
- Brokers

Documentation

Diverse documentation is used during the training sessions for assistance and reference. Each participant will be provided material, such as cases and exercises, in a syllabus.

Program

Introduction to risk and risk management

- Return is only half the equation
- The risk management process

Strategies

- Directional trading
- Market neutral trading

Event driven

- Relative value
- Deterministic arbitrage
- Statistical arbitrage
- Global macro
- Commodity Trade Advisor (CTA)
- Long-short strategies
- Method
- Discretionary
- Qualitative
- Quantitative
- Systemic

Diversification

- Multi-strategy
- Multi-fund
- Multi-market
- Multi-strategy (hedge fund exploiting a combination of different hedge fund strategies to reduce market risk)
- Multi-manager (a hedge fund wherein the investment is spread along separate sub-managers investing in their own strategy

Global Macro

- Attempt to anticipate global macroeconomic events
- Using all markets and instruments to generate a return.
- Discretionary macro (instead of being generated by software, trading is carried out by investment managers selecting investments)
- Systematic macro (trading is carried out using mathematical models and executed by software/algorithms)
- Commodity Trading Advisors
- Systematic diversified
- Systematic currency
- Trend-following
- Non-trend following (Counter trend; contrarian strategy)
- Multi-strategy

Market neutral

- Exploit pricing inefficiencies between related assets that are mispriced.
- Fixed income arbitrage (pricing inefficiencies)
- Equity market neutral (long-short)
- Convertible arbitrage
- Fixed income corporate
- Statistical arbitrage (market neutral strategy using statistical models)
- Volatility arbitrage (exploit the change in implied volatility instead of the change in price)
- Multi-strategy (diversification through different styles to reduce risk)
- Regulatory arbitrage (the practice of taking advantage of regulatory differences between two or more markets)
- 130-30 strategy (unhedged position with 130% long and 30% short positions, the market exposure is 100%.
- Long-only absolute return funds

Directional

- Sector funds
- Fundamental growth
- Fundamental value
- Long/short
- Emerging markets
- Quantitative Directional
- Short bias (use of short positions in declining market.
- Multi-strategy - diversification through different styles to reduce risk.

Event-driven

- Exploit pricing inefficiencies caused by anticipated specific corporate events.
- Distressed securities/Distressed debt.
- Merger arbitrage/Risk arbitrage
- Special situations (specialized in restructuring companies or companies engaged in a corporate transaction)
- Multi-strategy (diversification through different styles to reduce risk)
- Credit arbitrage
- Activist
- Relative value
- Arbitrage