Course Overview and Objectives
This course introduces various types of fixed income product including Money Market, Treasury, Agency, Investment Grade, High Yield, Mortgage Backed Securities, CMO and Senior-Subordinate bonds. It will also incorporate non-US bonds and the impact of these bonds on monetary policies around the globe. It focuses on various aspects of bond trading, bond analytics and arbitrage. In addition, it examines funding methods and tools for fixed income portfolio management.

This course is fundamental to students who are serious in pursuing a career directly relating to fixed income.

Students are expected to use the Bloomberg Terminal on a regular basis. Group assignments will be based on Bloomberg Terminal. This carries 20% of the total grade.

Course Materials
Lecture notes and assignments will be distribute via Blackboard.


The 6th edition of this book will suffice.

Students should be familiar with basic algebra and Excel.

Grades
Midterm: 40%
Final: 40%
Group Assignment 20%
Course Outline

Week 1: Introduction & Bond Pricing
Week 2: Bond Yield
Week 3: Bond Price Volatility
Week 4: Term Structure of Interest Rate / Forwards
Week 5: Treasury and Agency Securities
Week 6: Corporate Debt & Non-US Bonds
Week 7: Review for Mid-term
Week 8: Mid-term
Week 9: Repurchase Agreement
Week 10: EDS, Bond futures, FRA and IR Swap
Week 11: Mortgage loans and MBS
Week 12: CMO and ABS
Week 13: Embedded options & OAS
Week 14: Portfolio Management Techniques
Week 15: Review for Final
Week 16: Final

Chapters 1 & 2
Chapter 3
Chapter 4
Chapter 5
Chapter 6
Chapter 7 & 9
Lecture Notes
Lecture Notes
Chapters 10 & 11
Chapters 12 & 14
Chapters 17 & 18
Chapters 22