

May-2004

TRAINING

INTERNATIONAL PROGRAMME ON SECURITIES MARKET OPERATIONS

BSE Training Institute (BTI), the training initiative of BSE is a leading provider of financial and capital market training in India. It currently offers nearly 40 courses on various aspects of the financial markets. BTI conducted over 150 programmes last year, which were attended by more than 5000 participants. Nearly 20,000 participants from capital markets, corporates, academics, etc. have taken the benefit of well developed infrastructure of the Institute along with its faculty drawn from large and diversified pool of industry experts and independent professionals. BTI regularly conducts international programmes that are attended by Financial Institutions around the world.

In the series of international programmes, BTI conducted 2nd International Programme on Securities Market Operations. This programme was conducted from 19th April to 24th April, 2004 in the BSE Training Institute. The programme was aimed at the financial professionals of various countries who desired to have a firm grasp on the working of the financial systems in developing economies, banking regulations and policy making bodies, financial institutions and emerging capital market products.

The training programme consisted of classroom training, presentations and demonstrations by expert faculty drawn from the financial and capital markets industry and practicing professionals. The programme took the participants through latest developments in trading platforms, surveillance & risk management and also emerging products in equities, debt and derivatives. The training programme included sessions on:

- Introduction to Indian Capital Market, Cash Market, Legal Framework and Regulatory Environment of the Markets, FII Investments
- Fundamental Analysis
- Primary Markets - IPO, Book Building and Listing
- Cross Border Listing, - ADRs & GDRs, Reverse and Dual Fungibility
- Secondary Markets, Trading, Clearing and Rolling Settlement
- Technology Trade Software, Hardware, Networking, Integration, BSE WebX, Real Time Data
- Trading Systems - BOLT, DTSS, GILTS
- Index-BSE Sensex and other indices.
- Introduction to Debt Market, Instruments, Players, G-Sec Markets, Role of Central Bank
- Corporate Governance through Listing Agreements
- Wholesale Debt Market - Retail Debt Market, Exchange Systems
- Trading Strategies in Debt Market and Fund Management
- Demat & Depositories Operations
- Mutual Fund
- Exchange Traded Fund - Sensex Prudential ICICI (SPICE)
- Risk Management & Margining, Surveillance

- Inspection of members books
- Introduction to Derivatives- Futures & Options, International Perspective
- Technical Analysis



A participant from Tirana Stock Exchange lighting the lamp at the Inauguration of International Programme on Securities Market Operations

Besides classroom training, a major part of training was in form of field visits where the participants visited significant financial institutions to get the complete perspective of Indian Financial markets. The Participants visited Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), National Stock Exchange (NSE), ICICI Bank, National Commodities and Derivatives Exchange (NCDEX).

The programme was attended by 18 participants from 9 countries. Some of the participants were nominated by South Asian Federation of Exchanges (SAFE), under a scholarship programme. The participants represented Securities Exchange Commission - Pakistan, Mauritius Stock Exchange, Colombo Stock Exchange, Dhaka Stock Exchange Ltd, The Karachi Stock Exchange (g) Ltd., Nepal Investment and Securities Trading (Pvt) Ltd., Member of Nepal Stock Exchange Ltd, BOB securities Ltd C/O Royal Securities Exchange of Bhutan Limited, OTC Exchange of India, Tirana stock Exchange, Dubai Stock Exchange and IDLC of Bangladesh Limited.

The participants went back with a lot of good memories of their stay in India as besides the formal training there was lot of fun and friendships happening over dinners hosted by BSE in their honor at leading restaurants. They also took souvenirs home which were picked with the help of BSE Training team.

The programme was a great success and was an effort towards sharing knowledge in Capital Markets with other developing countries.

**KNOWLEDGE
AND KNOW-HOW
ON CAPITAL MARKETS**

BSE TRAINING INSTITUTE

Tel. : 22721126/27 Fax : 22723250 E-mail : training @bseindia.com

Training Programme for the month of May 2004

Sr. No.	Name of the Programme	Dates	Duration	Fees	Course coordinator & E-mail address
1.	BOLTOperations	May 8, 2004	One full day	Rs.1,250	Preeti@bseindia.com
2.	BSE's Certificate Course on Stock Markets (BCCSM)	May 10 to 13, 2004	Four full days	Rs. 4,000	Rajashri.bhat@bseindia.com
3.	Debt Markets	May 14 & 15, 2004	Two full days	Rs. 4,000	Preeti@bseindia.com
4.	Compliance Requirements for Member Brokers	May 15, 2004	Half day	Rs. 500	Sachin@bseindia.com
5.	Comprehensive Prog. on Technical Analysis	From May 17, 2004	45 Days Part-Time	Rs. 7,500	Sved@bseindia.com
6.	Commodity Trading	May 19, 2004	One full day	Rs. 2,500	Preeti@bseindia.com
7.	Basic Programme on Derivatives	May 21 & 22, 2004	Two full days	Rs. 2,750	Sachin@bseindia.com
8.	Mutual Funds	May 24 & 25, 2004	Two full days	Rs. 3,000	Sachin@bseindia.com
9.	Fundamental Analysis	May 26 & 27, 2004	Two full days	Rs. 2,500	Rajashri.bhat@bseindia.com
10.	Business Forecasting	May 26 & 27, 2004	Two full days	Rs. 12,500	Aditi@bseindia.com
11.	Technical Analysis	May 28 & 29, 2004	Two full days	Rs. 2,500	Sved@bseindia.com
12.	Advanced Derivatives	May 28 & 29, 2004	Two full days	Rs. 4,500	Sachin@bseindia.com

Training Programme for the month of June 2004

1.	Foreign Exchange Risk Management	June 4 & 5, 2004	Two full days	Rs. 5,000	Preeti@bseindia.com
2.	Foreign Investment in India & Abroad	June 9, 2004	One day	Rs. 2,500	Preeti@bseindia.com
3.	Finance for Non-Finance Executives	June 11 & 12, 2004	Two full days	Rs. 3,000	Sachin@bseindia.com
4.	Compliance Requirements for Member Brokers	June 12, 2004	Half day	Rs. 500	Sachin@bseindia.com
5.	BSE's Certificate Course on Stock Markets (BCCSM)	June 14 to 17, 2004	Four full days	Rs. 4,000	Rajashri.bhat@bseindia.com
6.	Financial Innovations	June 19, 2004	One day	Rs. 4,000	Preeti@bseindia.com
7.	Venture Capital (New)	June 22, 2004	One day	*****	Rajashri.bhat@bseindia.com
8.	Fixed Income Derivatives	June 23, 2004	One day	Rs. 2,000	Preeti@bseindia.com
9.	Basic Programme on Derivatives	June 25 & 26, 2004	Two full days	Rs. 2,750	Sachin@bseindia.com

Training Programme for the month of July 2004

1.	BOLT Operations	July 3, 2004	One day	Rs. 1,250	Preeti@bseindia.com
2.	Debt Markets	July 9 & 10, 2004	Two full days	Rs. 4,000	Preeti@bseindia.com
3.	Derivatives in Gujarati	July 10, 2004	Half day	Rs. 500	Sachin@bseindia.com
4.	BSE's Certificate Course on Stock Markets (BCCSM)	July 12 to 15, 2004	Four full days	Rs. 4,000	Rajashri.bhat@bseindia.com
5.	IPOs - Procedures and Processes	July 16 & 17, 2004	Two full days	Rs. 7,500	Preeti@bseindia.com
6.	Compliance Requirements for BSE Member Brokers	July 17, 2004	Half day	Rs. 500	Sachin@bseindia.com
7.	Mergers & Acquisitions	July 21 & 22, 2004	Two full days	Rs. 5,000	Preeti@bseindia.com
8.	Basic Programme on Derivatives	July 23 & 24, 2004	Two full days	Rs. 2,750	Sachin@bseindia.com

BSE CENTRE FOR SELF DEVELOPMENT

Tel. : 2272 1233/34 (Extn.8349) E-mail : swayam @bseindia.com

June 2004

Sr. No.	Name of the Programme	Dates	Duration	Fees	Course coordinator & E-mail address
1.	Corporate Finesse & Etiquette (New)	June 1 & 2, 2004	Two full days	Rs. 12,500	Aditi@bseindia.com
2.	Technology for Finance Executives	June 9 & 10, 2004	Two full days	Rs. 6,500	Aditi@bseindia.com
3.	Effective Business Presentation Skills	June 18 & 19, 2004	Two full days	Rs. 5,000	Aditi@bseindia.com
4.	Marketing of Financial Products (New)	June 23 & 24, 2004	Two full days	*****	Aditi@bseindia.com

July 2004

1.	Effective Business Writing Skills	July 6 & 7, 2004	Two full days	Rs. 7,500	Aditi@bseindia.com
2.	Technical Report Writing (New)	July 20 & 21, 2004	Two full days	*****	Aditi@bseindia.com
3.	Customer Relations for front line staff (New)	July 27 & 28, 2004	Two full days	*****	Aditi@bseindia.com

*Any Student or a group of minimum 20 persons shall attract a discount of 25%., *Corporates nominating 5 participants for the programme can nominate the 6th person free of cost. , * FINTECH ANALYSIS ADVANTAGE Registration for both Fundamental and Technical Analysis at the same time will attract a discount of Rs. 750/-., *DERIVATIVE ADVANTAGE Registration for both Basic & Advance Derivatives same time will attract a discount of Rs. 1250/-., *The course fees are inclusive of study materials (Lunch, Tea/Coffee for full day's courses only), *DD/broker member's cheque may please be made in the name of "The Stock Exchange, Mumbai", the same should be payable at Mumbai. , * New Programme to be launched.

April brings with it, hectic financial year closing activities carried forward from the previous month and also the pressures of planning a perfect holiday for the kids. Despite of professional and personal pressures, some still manage to take out time for training.

BSE Training Institute (BTI)

BSE Training Institute commenced 7th Certificate Programme on Capital Markets (CPCM), a unique three months part time course, in association with Jamnalal Bajaj Institute of Management Studies (JBIMS). This course brings together the academic excellence of JBIMS, a premier management education institution and the rich domain knowledge of BSE the premier stock exchange of India. Being one of the most popular programmes, it is being attended by 75 participants. The Programme was inaugurated by Shree Guneet Chaddha, MD & CEO, Deutsche Bank-India.

April also witnessed launch of a two day workshop on Valuation of Shares, which was conducted in Hotel Hyatt Regency. The workshop was inaugurated by Shree Raamdeo Agrawal, MD, Motilal Oswal Securities. The workshop provided a hands-on training to participants as each participant was provided with a computer to work upon case studies which formed an integral part of the workshop.

Compliance Requirements for member brokers conducted in the month has till date trained more than 1000 stock exchange members and their staff who handle compliance issues.

April was also the month of launch of 2nd International Programme on Securities Market Operations attended by 18 participants from 9 countries. The participants went through classroom training in respect of latest developments in trading platforms, surveillance and risk management and also emerging products in equities, debt & derivatives. The class room training was coupled with field visits to major financial institutions.

BTI's one of the most popular training programme, 'Basic programme on Derivatives' was also conducted in April which was attended by 43 participants.

Another popular programme, BSE's Certificate course on Stock Markets (BCCSM), was also conducted in this month. This programme which is for beginners, is aimed to ensure that the participants in stock market have adequate knowledge of the Stock Exchange Operations they are dealing in.

BTI also conducted customized training programme on Capital Markets Operations for the executives of J.P. Morgan Chase Global custodian Team

(5th batch of 32 participants). Group Discussions & Assessments Tests form an integral part of this customized programme.

A customized programme was conducted for 54 officers including Deputy Commissioner of Police & Jt. Commissioner of Police, from The Economic Offences Wing, Mumbai. The programme was aimed to apprise the officers of the functioning of securities markets including various processes involved in trading & clearing.

A customized programme on Derivatives was conducted for the students of Vaishav Management College, Indore who gained knowledge about practical aspects about Derivatives trading after having gone through theory in their PG course.

April was also the month of visits from the students of St. Xaviers College, Mumbai, Mount Caramel Institute of Management, Bangalore, and Tezpur University.

BTI's Centre for Self Development

BSE Training Institute's initiative in the field of behavioral skills and personality development, Centre for Self Development conducted a two day workshop on Effective Business Writing Skills. The Centre is gearing itself up for launch of a two-day workshop on Corporate Etiquette which is to be conducted by Style Guru and eminent Media & Theatre personality, Ms. Sabira Merchant, in the month of June.

BSE Certification

10 tests for BSE Certification on Central Depository (BCCD) were conducted in April, in Mumbai and other centres of the country. 45 persons appeared for the certification tests.

32 tests for BSE Certification on Derivatives Exchange (BCDE) were conducted in April, in Mumbai and other centres of the country. 430 persons appeared for these certification tests.

BSE Books & Publications

'Directory of BSE Members-2004', was released in April, 04. The BSE Publications is geared to release 'Addresses of Companies-2004' & 'CD Rom on Addresses of Companies', in the month of May, 2004. Presently BSE publishes 30 publications including Annual Capital Market Review, Derivatives & Financial Innovations, List of Companies Undergone Merger's/Name Changes, List of Foreign Institutional Investor's, Primer on Capital Market, Review of Markets, Stock Exchange Review (Monthly) and Working of the Stock Exchange, Mumbai (Hindi/English).

BTI Briefing Zero Coupon Yield Curve (ZCYC)

Zero Coupon Yield Curve popularly termed as ZCYC / Spot Curve, is a plot of the zero coupon interest rate against time to maturity. 'Zero Coupon Yield Curve' (ZCYC for short) describes the market's view of the interest rates for various lending periods. The ZCYC starts from the basic premise of 'time value of money' - that a given amount of money today has a value different from the same amount due at a future point of time. At any point of time there would be different rates of interest associated with different terms to maturity.

ZCYC differs from a normal Yield curve in the sense that it is not the Yield to Maturity (YTM) of coupon bearing securities, which gets plotted but represented against time are the yields on Zero coupon instruments across maturities. YTM approach has an implicit assumption that all intermediate & final cash flow of security is re-invested at the same rate. This makes YTM applicable as a measure for an individual security and to different bonds in the same risk class. Hence YTM does not provide unique mapping from maturity to interest rate space. The correct measure of the term structure of interest rates would be provided by zero coupon government securities as they represent correct present value of future cash flows. However, except for terms upto a year, zero coupon bonds are generally not issued in India which is why statistical estimation methods like bootstrapping are used.

BSE computes the ZCYC for valuation of fixed income securities, using the Cubic Spline Method, which ensures minimal pricing errors. The curve is generated using market data (NDS data - Negotiated Dealing System Data from RBI) of the most liquid securities traded on a day.



www.bseindia.com

BSE Training Institute

for knowledge and know-how on capital markets

21st Flr, The Stock Exchange, Mumbai, P.J. Towers, Dalal Street, Mumbai-1.

Presents

A Two day Workshop on

BUSINESS FORECASTING

Date : 26th & 27th, May, 2004

Venue : BSE Training Institute

Course fee:Rs. 12,500/- per participant

Discount of 10% for more than two nominations from the same organization.
Special discounts for groups

Course Contents : Introduction of Business Forecasting, Refresher on Statistics & Quantitative Techniques: (Probability Theory; Matrix algebra; Inference; Time Series Applications), Ordinary Least Square Regressions, Demand Forecasting; Pricing Model; Production & cost function Theory & Applications, Forecasting Interest Rates & Exchange Rates : Conditional Volatility, ARCH-GARCH -Theory & Applications, Leading indicators for business forecasting.

For Registration: Send a Demand Draft in favour of The Stock Exchange, Mumbai, payable at Mumbai giving details of name and contact address along with email address. For further assistance, Please call on 2272 1233/34

(Ext. 8349, 8570), Email : training@bseindia.com

Website: www.bseindia.com



Participant's Corner

The one-week international programme on Security Market Operation was one of the most innovative and excellently planned courses conducted by the BSE Training Institute. Participants came from a number of emerging and dynamic markets like Mauritius, Sri Lanka, Nepal, Bhutan, Dubai and Albania. The participants were enthralled by the fully computerized trading system in India, which has significantly improved the speed of execution and increased the daily trading capacity.



The world of investments is fascinatingly complex and the securities markets all over the world are undergoing dramatic changes.

The course was designed to give the participants a feel of real life at the Stock Exchange. It covered three dimensions, first were lectures on market instruments and trading strategies delivered by academically savvy professors who had rich practical experience. Secondly, it included field visits to NSE, SEBI, RBI, ICICI-Direct, and NCDEX. Interaction with the CEO of these organisations gave an insight into the actual working of the Stock exchange as well as its support services. The third dimension was the unique interaction between the participants. Exchange of investment philosophies gave each one of us a multicultural exposure. At the end of the course every participant felt empowered with knowledge of the working of the securities market.

We the participants wish to thank Dr. Bandi Ram Prasad and his team of vibrant and prolific young executives for designing a course which gives a practical insight into the dynamics of the stock exchange.

Dr. (Mrs.) G. Rodrigues
DPM- Economist
Dubai

Participant of International Training Programme on Securities Markets Operations

BTI Team

Dr. Bandi Ram Prasad
Chief General Manager & Chief Economist

Mr. C. Vasudevan
Head, BSE Training Institute

Ravi Shetty, Sanjay Ved, Roy Aranha, Aditi Shandilya, Preeti Ahluwalia, Sachin Chaudhari, Rajashri Bhat, Harish Shukla, Troydon Bird, Satyavan Shinde



CENTRE FOR SELF DEVELOPMENT

21st Floor, BSE, P.J. Towers, Dalal Street, Mumbai 400 001.

A Two day Workshop on **Corporate Finesse & Etiquette**

by
Ms. Sabira Merchant a veteran personality trainer, Style Guru,
Eminent Media and Theatre Personality.

Date : 1st & 2nd June 2004
Fee : Rs. 12,500/-
Venue : Hotel Taj President
Mumbai

Course Content: Office Etiquette, Social Etiquette, Image Enhancing, Confidence Building, English Diction, Voice-Modulation, Public Speaking, Body Language, International Etiquette, Dining Etiquette, Wines, Champagnes, Liqueurs, Cocktails & Mocktails

For Registration: Send a Demand Draft in favour of The Stock Exchange, Mumbai, payable at Mumbai giving details of name and contact address alongwith email address. For further assistance, Please call on 22721233/34 (Ext. 8349, 8199) Fax: 2272 3250. Email: swayam@bseindia.com, Website: www.bseindia.com



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I want to know more about BSE Training. Please send me complete details of the following programmes.
Please tick the programme you are interested in :

Training Programmes

- IPOs Procedures & Processes
- Finance And Accounts For Non Finance Executives
- Compliance Requirements For Member Brokers
- Cross Currency Options
- Interest Rate Futures
- Commodity Trading
- Financial Innovations
- BSEs Online Trading Operations
- Exchange Traded Fund
- Foreign Exchange Risk Management
- Fixed Income Derivatives
- Compliance in Corporate Governance
- Advanced Programme on Derivatives
- Mutual Funds
- BSE's Certificate Course on Dematerialisation & Depositories Operations
- Equity Portfolio Structuring & Stock Picking
- Comprehensive Programme on Technical Analysis
- Corporate Governance
- Stress Management
- Mergers and Acquisitions
- Advanced Programme on Index & Stock Futures
- Basic Programme on Derivatives
- Technical analysis.
- BSE's Certification course on Stock Markets (BCCSM)
- Certificate Programme on Capital Markets (CPCM)
- Debt Markets
- Fundamental Analysis
- Investor Awareness Programme
- Stock Market Operations
- Workshop on Options
- Technology for Non-Technology Executives
- Business Forecasting

Publications

- The Stock Exchange Bye-Laws, Rules & Regulations
- Address of Companies
- A Quick Reference Guide for Investors
- The Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957
- List of Members - Address with Phone Numbers
- BSE Index Numbers
- Good or Bad Delivery of Documents
- SEBI - Stock Brokers & Sub-Brokers Rules - 1992
- Financial Ratios of BSE Indices
- Rights & Bonus Issues
- List of Companies undergone Merger's/Name Changes
- Working of the Stock Exchange, Mumbai
- List of Active Members of BSE
- Working of the Stock Exchange, Mumbai
- List of Active Members of BSE
- The Stock Exchange Listing Rule-Book
- Welcome to The Stock Exchange, Mumbai
- List of BSE Equity Scrip Codes
- Fundamental Analysis
- Capital Market Briefing
- Annual Capital Market Review
- The Stock Exchange Review (Monthly)
- Primer on Capital Markets
- Technical Analysis
- Review of Markets
- CD on Index Futures
- Internet Trading (Minimum)
- SEBI - (Take Over Regulation - 1997)
- Corporate Compendium Book
- Corporate Compendium (CD)
- Basic Guidelines for Corporate Membership
- Basics of the IT Industry
- Guide to Mutual Fund Investing
- Investor Awareness
- A Key to Technical Analysis
- List of Foreign Institutional Investor's
- Key Statistics (Monthly)

Centre for Self Development

- Effective Presentation Skills
- Effective Business Writing Skills
- Technology for non technology Executives
- Corporate Finesse & Etiquette
- Marketing of Financial Products
- Customer Relations for Front-line staff
- Technical Report Writing

My Contact Details :

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International Programme on Securities Market Operations *A five day programme covering a wide range of securities market operations*
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International Finance: Managing Risks and Rewards *Conducted in India and major international financial centers*
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