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Titolo	Managing Derivatives Contracts : A Guide to Derivatives Market Structure, Contract Life Cycle, Operations, and Systems / / by Khader Shaik
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Nota di contenuto	Contents; Foreword; About the Author; About the Technical Reviewer; Acknowledgments; Preface; Part I: The Big Picture; Chapter 1: The Derivatives Market; Financial Derivatives; The Derivatives Market Structure; The Listed Market; The Over-the-Counter Market; The Bilateral OTC Market; The Cleared OTC Market; Market Venues; Market Size; Market Players; Advantages of Derivatives; Advantages of OTC Derivatives; Dangers and Challenges of Derivatives; High-Profile Failures; The Changing Regulatory Landscape of Derivatives Market; Importance of Information Technology Operational and Technological ChallengesSummary; Chapter 2: The Derivative Products; Product Terminology; Security vs. Derivative; Product vs. Instrument; Contract; Interest Rate: Fixed vs. Floating; Derivatives Classification; Product Class; Asset Class; Clearing Model; Markets; Complexity; Futures; Futures Terminology; Applications of Futures; Contract Types; Forwards; Terminology; Types of Forwards; Options; Terminology; Applications of Options; Option Types; Listed Options; OTC Options; Exotic Options; Swaps; Swap Characteristics; Swap Instruments; Interest Rate Swaps; Popular Types Currency SwapsCurrency Swap Types; Equity Swaps; Commodity Swaps;

Exotic Swap Structures; Credit Derivatives; Terminology; Applications of Credit Derivatives; Credit Instruments; FX Derivatives; Terminology; FX Derivative Instruments; Applications of FX Derivatives; Interest Rate Derivatives; IRD Instruments; Equity Derivatives; Applications of Equity Derivatives; Equity Instruments; Commodity Derivatives; Synthetic Products; Analogy; Listed, Cleared, and Bilateral Contracts; Funded vs. Unfunded; Options vs. Futures; Futures vs. Forwards; Swap vs. Forward; Option vs. Insurance

Accounting TreatmentWhat Is Not a Derivative; Summary; Chapter 3: Derivatives and Risk Management; What Is Risk?; Why Manage Risk?; Risk Management Process; Risk from Derivatives; Hedging; Enterprise Risk Management; Risk Management Function; Types of Risk; Market Risk; Credit Risk; Counterparty Credit Risk; Concentration Risk; Operations Risk; Liquidity Risk; Legal Risk; Model Risk; Settlement Risk; Systemic Risk; Compliance Risk; Reputational Risk; Derivatives and Operations Risk; Use of Derivatives for Risk Management; Futures and Forwards; Options; Swaps; Credit Derivatives; Risk Measures

GreeksDurations and Convexity; Volatility; Value at Risk; Expected Shortfall; Potential Future Exposure; Credit Value Adjustment; Economic Capital; Liquidity Coverage Ratio; Risk Management Tools; Stress Testing; Scenario Analysis; P&L Variance Analysis; Sensitivity Analysis; Limits Management; Backtesting; Netting; Central Clearing; Collateralization; Summary; Chapter 4: The Derivatives Contract; Contract Terminology; Order, Trade, and Contract; Position; Financial Instrument and Product; Characteristics of Derivatives Contracts; Notional; Effective Date; Termination Date; Tenor Counterparty

Sommario/riassunto

"I am sure practitioners, auditors, and regulators will find the content of Mr Shaik's book of value. The accessible style is also welcome. All in all, a worthwhile addition to the finance literature and one that hopefully helps plug the knowledge gap in this field." — from the foreword by Professor Moorad Choudhry, Brunel University Managing Derivatives Contracts is a comprehensive and practical treatment of the end-to-end management of the derivatives contract operations, systems, and platforms that support the trading and business of derivative products. This book focuses on the processes and systems in the derivatives contract life cycle that underlie and implement the activities of derivatives trading, pricing, and risk management. Khader Shaik, a Wall Street derivatives platform implementation expert, lays out all the fundamentals needed to understand, conduct, and manage derivatives operations. In particular, he provides both introductory and in-depth treatment of the following topics: derivative product classes; the market structure, mechanics, and players of derivatives markets; types of derivative contracts and life cycle management; derivatives technology platforms, software systems, and protocols; derivatives contracts management; and the new regulatory landscape as shaped by reforms such as Dodd-Frank Title VII and EMIR. Managing Derivatives Contracts focuses on the operational processes and market environment of the derivatives life cycle; it does not address the mathematics or finance of derivatives trading, which are abundantly treated in the standard literature. Managing Derivatives Contracts is divided into four parts. The first part provides a structural overview of the derivatives markets and product classes. The second part examines the roles of derivatives market players, the organization of buy-side and sell-side firms, critical data elements, and the Dodd-Frank reforms. Within the framework of total market flow and straight-through processing as constrained by regulatory compliance, the core of the book details the contract life cycle from origination to expiration

for each of the major derivatives product classes, including listed futures and options, cleared and bilateral OTC swaps, and credit derivatives. The final part of the book explores the underlying information technology platform, software systems, and protocols that drive the end-to-end business of derivatives. In particular, it supplies actionable guidelines on how to build a platform using vendor products, in-house development, or a hybrid approach.
