



**PENHALLOW ASSOCIATES LIMITED**  
**A Financial Knowledge Company**

## **Sale & Repurchase Agreements (REPO)**

**Classroom: Duration: 1 Day, Price £745**

**Virtual Learning: Duration 6 Hours, Price £580**

### **Course overview**

Knowledge of repurchase agreements is fundamental to understanding financial markets. This course delivers a comprehensive and practical introduction to the repo markets, from the basics of repo's to some trading strategies. It is focused throughout on current market practice with many actual and recent examples in the material and exercises.

### **Agenda**

- Explain the purpose of 'repo', and its advantages and drawbacks.
- Describe the differences and similarities of classic repos and sell/buy-backs in terms of their legal, economic and operational characteristics.
- Define initial margin and margin maintenance.
- List and outline the main types of custody arrangements in repo.
- Calculate the value of each type of instrument using quoted prices, including the secondary market value of transferable instruments.
- Calculate the present and future cash flows of a repo given the value of the collateral and an agreed initial margin.
- Define general collateral (GC) and specials.
- Describe what happens in a repo when income is paid on collateral during the term of the repo, in an event of default and in the event of a failure by one party to deliver collateral.

## Trainer Profile



Wayne Andrews is Managing Director of Gracechurch Treasury Risk Consultants Ltd, a UK-based financial markets training and consultancy company which specialises in providing exam-related and general training to junior and senior participants in the treasury, foreign exchange, derivative and capital markets.

He has more than forty years of experience in the financial markets in a variety of roles, most recently as Head of Treasury and Investments Division at Commercial Bank International (“CBI”) in Dubai. He has been delivering training for the Financial Markets Association (“ACI”) examinations since 1998, and has completed successful training engagements for the Institute of Banking at SAMA, Riyadh, the Emirates Institute of Banking and Financial Studies in Sharjah, UAE, and a number of commercial and charitable entities, including the Reuters Foundation.

He has acted as an expert witness in financial lawsuits in the High Court in the UK. He also works as a consultant with a variety of corporate clients across the UK and Middle East regions, advising them on hedging and risk management strategies for their exchange rate and interest rate exposures.

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