**Finance**

**Introduction**

**What is finance?**

**What is money?**

**What is a barter trade? What is commodity money? What is standardized coinage? What are banknotes?**

**What does money worth mean?**

**What is inflation? Deflation? Hyperinflation? Stagnation? CPI?**

**What are the 3 areas of finance?**

**What are the 3 areas of capital markets?**

**What is financial management? What is another name for it? What are the 3 areas within it?**

**What is investment management? What is it also know for?**

**What is the financial system? What are the 3 types of financial groupings within it?**

**What are the 3 roles of financial markets?**

**What are the 5 financial markets types?**

**What are financial intermediaries?**

**What are the 4 financial intermediaries roles?**

**What is financial management? What is it sometimes called? What is one of the critical tasks of financial management?**

**What are financial statements?**

**What does GAAP stand for?**

**What is a balance sheet and what is the formula you need to know?**

**What is an income statement and what is the formula you need to know?**

**What is the statement of cash flows?**

**What is OTC and what is SE?**

**What is risk?**

**What is an asset? What is a liability? What are equities?**

**What is the grace period for a credit card?**

**What are two names for bonds?**

**What is market capitalization?**

**What are authorised shares? What are outstanding shares? What are treasury shares?**

**What are floating shares? What are restricted shares?**

**What is dilution? What is share buy back?**

**What is the difference between merger and a takeover?**

**What are the two types of dividends?**

**How long is the settlement for a stock? For a FX trade?**

**What does PIP stand for?**

**What is a wasting asset? Why isn’t a loan a wasting asset?**

**What is a writer and what is a holder?**

**What is naked trading?**

**What is a bullish market? What is a bearer market?**

**What is a vanilla and what is an exotic type?**

**What is a four eyes scenario?**

**What is a trade capture?**

**What is trade affirmation?**

**What is trade matching?**

**What is VaR? NaV?**

**What is Vastro? Nostro?**

**Bank of Canada**

**Financial Regulators**

**Retail Bank Product**

**What are overdrafts? What are authorised and unauthorised overdrafts?**

**Do banks refuse checks in unauthorised overdraft?**

**What is a credit card?**

**Are interest rates higher for credit cards or overdrafts?**

**What is a loan? What is a secured loan and what is an unsecured loan? Give an example of each.**

**What kind of loan is a mortgage? What are the 2 different kinds of interest rates?  What is a down payment? What is a tenure?**

**What is compound interest?**

**What does AER stand for and what is it?**

**What is nominal interest rate?**

**What does APR stand for and what is it?**

**Who quotes AER and who quotes APR?**

**What type of loan is a mortgage? What are the 4 types of interest rates for a mortgage? Discuss each.**

**What is the loan to value ratio?**

**What is negative equity?**

**What are the two types of mortgages?**

**Taxation**

**What is income tax and how is it calculated?**

**Debt Instruments**

**What are debt instruments?**

**What is a capital market? What is a money market?**

**What is the main purpose of the money market?**

**What are money market debt instruments? What are the 6?**

**What is a T-Bill? What are the maturities for them? Are they zero coupon instruments?**

**How are T-Bills sold?**

**What are commercial papers?**

**Why are commercial papers riskier than T-Bills?**

**What is credit rating and how does it affect the price of a commercial paper?**

**What are certificates of deposit?**

**Is a CD a deposit or a loan?**

**What are bearer documents?**

**What is banker’s acceptance?**

**What is euro dollars?**

**What are repurchase agreements? What is an open leg and what is a close leg?**

**What is a security? What are the 3 types of securities?**

**What are capital market debt instruments? What are the 2?**

**What is a bond? What is the face value? What is the coupon? What is maturity? What is the issuer?**

**What is meant by bond yield?**

**How is a bond different than a bank loan?**

**What are gilts? What is nominal value? What is redemption? What is Coupon? What is a bond name?**

**What is flat yield and what is yield to maturity?**

**What is the formula for a coupon?**

**What are the 6 types of bonds? Describe each.**

**What are asset backed securities?**

**When do prices of bonds increase and when do they decrease?**

**What are the 6 risks associated with bonds?**

**What is the settlement period for bonds and  gilts?**

**Equities**

**What are the differences between a primary and a secondary market?**

**What are the 4 different terms for a primary market?**

**What are the two different types of shares? What are the differences between them?**

**What are the 3 shareholder benefits and what are the 3 shareholder risks?**

**What are the differences between a public and private company? What are the pros and cons of a public company?**

**What are corporate actions? What are the 4 different types of actions?**

**What are the 8 stock markets listed on the slides?**

**What is an index? What are the 9 listed on the slides?**

**What are the required meetings called and how many months apart can they be?**

**What are optional meetings called?**

**What are resolutions and what are the 3 types?**

**What does each preferred share feature do? Cumulative, participating, convertible, and redeemable?**

**What is price risk? Liquidity risk? Issuer risk?**

**What is a corporate action? What are the 3 action types?**

**What is a bonus issue?**

**What is a right issue? What are the 4 options you have?**

**What are an interim and a final dividend?**

**What is a limit order?**

**What is a fill or kill order?**

**What is at best order?**

**What are execute and eliminate order?**

**What are market makers? What do they provide? What is the mandatory quote period? What is the bid and what is the offer? What is the spread between them called?**

**What is zombie stock?**

**What are the two methods of holding title?**

**What are the 6 major stock markets?**

**Foreign Exchange**

**What is the foreign exchange market?**

**When does it start and when does it close?**

**Who are the participants in the market?**

**Is foreign exchange OTC or SE?**

**What are currency pairs?**

**What are leading currency pairs? What are cross currency pairs?**

**What is a base currency and where is it placed? What is an underlying currency and where is it placed?**

**What is the bid price and what is the ask price? Where are they placed? What is the spread and what units does it use?**

**What is a spot transaction?**

**What is a forward transaction?**

**What are leveraged fx trades?**

**What is gearing and what are the two descriptions?**

**What is a spot contract?**

**What is leveraged trading?**

**Commodities**

**What are commodities? What are the 3 categories of commodities?**

**What are two commodities settlements?**

**How can you trade commodities?**

**Derivatives**

**What are derivatives?**

**Why do people trade derivatives?**

**What are futures? What is margin call?**

**What are forwards?**

**What is the practice of minimising risk?**

**Can forwards and future be both used for speculation and hedging?**

**What is the long position? What is the short position? What is closing position?**

**How do you make money using futures?**

**Is going long or going short riskier? Why? Who has unlimited liability?**

**What are options?**

**What is a call option?**

**What is a put option?**

**What is the exercise/stock price?**

**What is the spot price?**

**What are ITM, OTM, and ATM for call and put?**

**What are the 3 option types?**

**What is a swap derivative?**

**What is a credit default swap?**

**What is an interest rate swap?**

**What are the 5 derivative exchanges?**

**What is geared product?**

**Why do people use swaps?**

**What are legs of a swap?**

**What are the 4 big derivatives markets?**

**Investment Banks**

**What is an investment bank?**

**What are the 4 major functions of an investment bank?**

**What are the 3 offices in investment banks?**

**What are the activities of the front office? Middle office? Back office?**

**What is Basel 3? What does it aim to do? What are the reform targets?**

**Financial Risk**

**What is the duration of a trade and how does it affect risk?**

**What are Basel Accords?**

**What is market risk?**

**What is operational risk?**

**What is valuation risk?**

**What is reputational risk?**

**What is liquidity risk?**

**What is counterparty (settlement) risk?**

**What is credit risk?**

**What is concentration risk?**

**What is strategic risk?**

**What is systemic risk?**

**What is refinancing risk?**

**The Trade Lifecycle**

**What are the 5 stages of the trade life cycle?**

**What are provisional trades?**

**What is order taking?**

**What are pre-execution activities?**

**What is the execution stage? How can you execute a trade?**

**When is a trade legally binding?**

**What are trade tickets?**

**What is trade matching? Do discrepancies affect the legal status of the trade?**

**What are post booking tasks? What are the 5 tasks?**

**What is overnight processing? What are the 6 tasks?**

**What are changes during lifetime? What are the 6 things related to it?**

**What are the 3 types of settlement?**

**What are nostro accounts?**

**What is netting? Do both parties need to agree?**