



## ECONOMIC INDICATORS AND FINANCIAL MARKETS

**DESCRIPTION:** This short course is an in-depth treatment of economic indicators, monetary policy, the underlying factors driving fluctuations in a currency and bond yields, as well as the reaction of the bond and currency markets to these various factors.

**OBJECTIVES:** The objectives of this short course are to:

- ① Feature economic indicators in the context of the business cycle to better understand seemingly contradictory market reactions to newly released indicators
- ② Introduce participants to the international macroeconomic environment
- ③ Emphasize the interaction of economic, political, social and psychological factors, and their effects on financial markets
- ④ Highlight the role of major Central Banks (Fed, ECB, BoE, and BoJ) in the world's financial markets, through monetary policy implementation
- ⑤ Analyze the importance of fiscal policy and its impact on financial markets
- ⑥ Analyse the yield curve and demonstrate its link to the business cycle
- ⑦ Provide insights into what makes the forex market so volatile and underline the major factors behind the fluctuations of a currency

**LEARNING OUTCOMES:** Upon completion of this course, participants should be able to:

- ① Explain economic indicators: What are they? What do they cover? What is their significance? Where and when are they published? and how reliable are they?
- ② Interpret economic indicators: Explain how the economy is performing; take a business decision; invest in financial markets; and evaluate gov. economic policy
- ③ Scrutinize monetary policy: Major objectives, decisions and publications of central banks
- ④ Examine fiscal policy: Role of the government; budget deficit or surplus; and auctions
- ⑤ Probe factors behind the fluctuations of the bond market: The yield curve; expectations theory; segmentation theory; and risk theory
- ⑥ Analyze the forex market: Exchange rates and trade balance; exchange rates and inflation; and factors explaining forex fluctuations
- ⑦ Dissect financial markets' reactions to: a newly released indicator; a monetary decision; a fiscal decision; or endogenous variables (political events, wars, natural disasters...)

**INTENDED AUDIENCE:** Corporate treasurers, trading floor salespeople, finance directors, fixed-income and currency managers and traders, risk managers, banks branch managers, assistant branch managers, financial consultants, or any person with a special interest in financial markets' fluctuations and economic indicators.

**COURSE LENGTH:** Seven instructional hours (one day).

**INSTRUCTOR:** Paul Douaihy is the Director of the Economics and Capital Markets Research Center of the University of Balamand. He was a strategist at the Currency and Fixed Income Department (trading floor) of HSBC Paris. He analyzes and comments economic, political and social news and developments, such as economic indicators, decisions by political and by monetary authorities (ECB, Fed, BoE and BoJ), trends in commodity prices and equity markets with a view to issuing recommendations for the fixed-income (key rates of Central banks and government bond yields) and currency (euro, US dollar, sterling, yen and Yuan) markets.

**CERTIFICATE:** Participants will receive a certificate of completion from the Continuing Education Program (CEP) and the Economics and Capital Markets Research Center (ECMRC) at the University of Balamand.