

---

# Foreign Exchange Bourse Game

---

## Overview

The objective of this course is to provide a simulated experience of FX trading.

## Learning Outcome Statements

- Identify the best bid and offer rates for any currency
- Make a market in any pair of currencies in the spot market
- Open, manage and close spot foreign exchange positions
- Calculate the profit & loss & average rate
- Quote a particular currency pair to customer
- Interact with broker to buy or sell any currency
- Interpret & analyze the economic impact of news items
- Broadly understand the market factor sensitivity & VaR
- Interact with various counterparties

## Key Contents

- Introduction to FX Market
  - What is FX
  - Currency value
  - Price & exchange rate
  - Dealing in FX market
  - Future of FX market
- History
  - Past
  - Now - International scenario
- Role of Central Bank

- Characteristics of FX market
  - Round the clock
  - Two-way market
  - Types of market
  - Different time zones
  - Types of counterparties
  - Regulations
  
- Spot market
  - Working of spot market
  - Delivery
  
- Market practice
  - Bid/Offer
  - Market conventions
  - Direct/Indirect quote
  - Notation
  - Value date
  - Lot size
  - Dealing etiquette
  
- Cross rate