

Subject ST6

CMP Upgrade 2017/18

CMP Upgrade

This CMP Upgrade lists all significant changes to the Core Reading and the ActEd material since last year so that you can manually amend your 2017 study material to make it suitable for study for the 2018 exams.

Whilst there have been minimal changes to the ST6 Syllabus and ST6 Course, the ST6 CMP has been significantly enhanced with the addition of many exam-style questions at the end of the chapters and in the Q&A Bank.

You can buy a full replacement set of up-to-date Course Notes at a significantly reduced price if you have previously bought the full price Course Notes in this subject. Please see our 2018 *Student Brochure* for more details.

This CMP Upgrade contains:

- all non-trivial changes to the Syllabus objectives and Core Reading
- changes to the ActEd Course Notes, Series X Assignments and Question and Answer Bank that will make them suitable for study for the 2018 exams.

1 Changes to the Syllabus objectives and Core Reading

1.1 Syllabus objectives

There have been no changes to the Syllabus Objectives.

1.2 Core Reading

There have been no significant changes to the Core Reading.

The Core Reading on Treasury notes in Section 8 of Unit 5 has been updated. This now reads:

Under a Treasury (or government) bond futures contract, settlement is made when the party with the short position delivers a government bond in return for cash paid by the party with the long position. Treasury bond futures are available for many government bond issuers including the United States, United Kingdom and Japan.

Different Treasury bond futures contracts are available for different underlying tenors (i.e. terms to maturity) of bonds. For shorter tenors, i.e. up to 10 years, the contracts may be termed Treasury note futures.

For example, US Treasury bond/note futures are available for bond tenors of 2 years, 5 years, 10 years and 30 years. Under the 10-year US Treasury note futures contract, any government bond with a remaining maturity between 6.5 and 10 years can be delivered. Similarly, under the 5-year US Treasury note futures contract, the bond delivered must have a remaining maturity of between 4 years 2 months and 5 years 3 months.

2 *Changes to the ActEd Course Notes*

There have been no significant changes to any of the material in the 16 chapters. However, some of the wording throughout the course has been altered slightly to reflect the changing practices in Over-The-Counter (OTC) forwards and swaps, specifically the increasing use of Central Clearing Parties (CCPs).

You just need to be aware that, if a forward or swap is centrally cleared, the credit risk will be minimal in the same way as it is for a standardised contract such as a future.

3 *Changes to the Q&A Bank*

There have been no significant changes to the Q&A bank, just some changing of the wording here and there to reflect the changing practices in Over-The-Counter (OTC) forwards and swaps. You just need to be aware that, if a forward or swap is centrally cleared, the credit risk will be minimal in the same way as it is for a standardised contract such as a future.

There are many ST6 past paper questions in the Q&A bank with full solutions, a change made for the 2017 Course Notes. In the absence of ST6 Revision Booklets, this learning resource is extremely important, and you should use it!

4 *Changes to the X Assignments*

There have been no significant changes to the X Assignments, just some changing of the wording here and there to reflect the changing practices in Over-The-Counter (OTC) forwards and swaps. You just need to be aware that, if a forward or swap is centrally cleared, the credit risk will be minimal in the same way as it is for a standardised contract such as a future.

5 **Other tuition services**

In addition to this CMP Upgrade you might find the following services helpful with your study.

5.1 **Study material**

We offer the following study material in Subject ST6:

- ASET (ActEd Solutions with Exam Technique) and Mini-ASET
- Mock Exam
- Additional Mock Pack.

For further details on ActEd's study materials, please refer to the 2018 *Student Brochure*, which is available from the ActEd website at **www.ActEd.co.uk**.

5.2 **Tutorials**

We offer the following tutorials in Subject ST6:

- a set of Regular Tutorials (lasting three full days)
- a Block Tutorial (lasting three full days).

For further details on ActEd's tutorials, please refer to our latest *Tuition Bulletin*, which is available from the ActEd website at **www.ActEd.co.uk**.

5.3 **Marking**

You can have your attempts at any of our assignments or mock exams marked by ActEd. When marking your scripts, we aim to provide specific advice to improve your chances of success in the exam and to return your scripts as quickly as possible.

For further details on ActEd's marking services, please refer to the 2018 *Student Brochure*, which is available from the ActEd website at **www.ActEd.co.uk**.

6 *Feedback on the study material*

ActEd is always pleased to get feedback from students about any aspect of our study programmes. Please let us know if you have any specific comments (*eg* about certain sections of the notes or particular questions) or general suggestions about how we can improve the study material. We will incorporate as many of your suggestions as we can when we update the course material each year.

If you have any comments on this course please send them by email to **ST6@bpp.com** or by fax to **01235 550085**.

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