



PENHALLOW ASSOCIATES LIMITED

A Financial Knowledge Company



## Cryptocurrency Delta Hedging

**Virtual Learning or Classroom Training**

**Duration: 2 Hours,  
Course Price: On Request**

**Location: (UK) For Virtual Learning Live Environment via Video Communication. *To book, or, require more information. Please contact Alan Penhallow;***

***e-mail: [alanp@penassco.co.uk](mailto:alanp@penassco.co.uk)***

***Mobile: +44 (0) 7712086934***

***This programme may be of interest to your colleagues.***

**[www.penassco.co.uk](http://www.penassco.co.uk)**

### **Course Overview**

Recent cryptocurrency price performance has resulted in a great deal of financial market interest in cryptocurrencies. Most courses on cryptocurrencies focus either on trading strategies, whether cryptocurrencies should exist or whether payment in cryptocurrency should be allowed by

payment systems. This course will take an alternative view by acknowledging that cryptocurrencies do exist and are being allowed by payment systems so introduces risk management of Bitcoin, Ethereum and Binance Coin via Delta Hedging risk management simulations targeted at users trying to reduce cryptocurrency risk exposure in treasury, private wealth management and insurance.



## Program 1

- Background to Cryptocurrencies
- Ethereum
  - Bitcoin
  - 
  - Binance Coin
  - Insurance
- An introduction to Cryptocurrency Delta Hedging
  - Example of a Treasurer managing a Corporate Client's Bitcoin exposure
  - Example of a Private Investment Manager managing a Client's Ethereum exposure
  - Example of an Insurance Company underwriting a Client's Bitcoin exposure
- An introduction to hedging simulations

## **Program 2**

- Case Study - Cryptocurrency Delta Hedging simulation using spreadsheet macros
  - Delta hedging simulation
  - Data preparation
  - Simulating 3-month synthetic options using delta hedging macros
  - Combining simulated plans into multi-year performance histories
  - Analysing Bitcoin, Ethereum and Binance Coin delta hedging simulation performance results

## **Learning Outcomes**

- What are cryptocurrencies and why does risk management matter?
- Who needs cryptocurrency risk management?
- How can cryptocurrency risk management be achieved?
- How can cryptocurrencies be delta hedged?
- What are the advantages and disadvantages of delta hedging cryptocurrencies and how can simulation help?

## **Trainer Profile**



**Malcolm Gloyer**

Malcolm Gloyer, Chartered Member of the Chartered Institute for Securities and Investments, explains some solutions to the challenges of cryptocurrency risk management. As a Certified Practising Project Manager (CPPM MAIPM), Malcolm has more than 30 years' experience working on projects in the UK and Australia, specializing in data strategy, market and credit risk, derivatives, commodities and artificial intelligence. Malcolm has worked as a consultant at companies including Bank of America Merrill Lynch, London Metal Exchange, Nomura, ABN Amro, BNP Paribas, Santander and Lloyds Bank and has been a guest lecturer at the University of Aberdeen, London School of Economics and James Cook University in Australia. Malcolm has had articles published in professional investment magazines and has written several eBooks on risk management, green finance and luxury asset valuation.

[www.linkedin.com/in/malcolm-gloyer-b0812515/](http://www.linkedin.com/in/malcolm-gloyer-b0812515/)

© **Copyright 2023.**

***Disclaimer: Statements pertaining to this course are for training purposes only.***

**Company Number 12132522**

**VAT No. 393 3473 73**