

Annexure I – Syllabus Outline

NISM-Series-XXII: Fixed Income Securities Certification Examination

Objective of the Examination

NISM-Series-XXII: Fixed Income Securities Certification Examination seeks to create a common minimum knowledge benchmark for all associated persons employed or engaged in the Fixed Income Securities markets in India.

NISM-Series-XXII: Fixed Income Securities Certification Examination is a voluntary examination and is open to all. It seeks to enhance the knowledge and proficiency in the Fixed Income Securities markets in India and aims to enhance the quality of services provided by the professional in this market.

On successful completion of the examination, the candidate should:

- Know the basics of Indian debt markets and different terminologies used in debt markets.
- Understand the classification of fixed income securities based on various criteria such as issuer, maturity, coupon, currencies, embedded options, etc.
- Be aware of the risks associated with investing in fixed income securities.
- Know the pricing of bonds (including floating rate bond), price-yield relationship and price time path of a bond.
- Understand the sources of returns and the traditional yield measures.
- Understand the term structure of interest rates and the relationship between spot and forward rates.
- Understand the concepts of measuring the interest rate risk (including the concepts of Duration, Modified Duration, Price value of basis point, Convexity measures, etc.)
- Know the Indian Money Market and understand various instruments available in the money market.
- Understand the Government Debt Market in India including the issuance mechanism, secondary market, clearing and settlement, valuation and key regulatory guidelines.
- Understand the Corporate Debt Market in India including the issuance mechanism, secondary market and key regulatory guidelines.

Examination Specifications

The examination consists of 85 multiple choice questions (70 questions of 1-mark each and 15 questions of 2-marks each), adding to a total of 100 marks. The assessment structure is as follows:

Multiple Choice Questions [70 questions of 1-mark each]	70 * 1 = 70 marks
Multiple Choice Questions [15 questions of 2-marks each]	15 * 2 = 30 marks
Total [85 questions]	100 marks

The examination should be completed in 2 hours.

The passing score for the examination is 60 marks (i.e., 60%).

There shall be negative marking of 25% of the marks assigned to the question for each wrong answer (i.e., the applicable negative marking will be -0.25 marks in case of a 1-mark question and -0.50 marks in case of a 2-marks question).

Syllabus Outline and Weights

Unit No.	Unit Name	Weightage
Unit 1	Overview of the Indian Debt Market	10
Unit 2	Types of Fixed Income Securities	7
Unit 3	Risks Associated with Investing in Fixed Income Securities	7
Unit 4	Pricing of Bonds	12
Unit 5	Yield Measures and Total Return	12
Unit 6	Term Structure of Interest Rates	7
Unit 7	Measuring Interest Rate Risk	8
Unit 8	Indian Money Market	7
Unit 9	Government Debt Market	15
Unit 10	Corporate Debt Market	15
