



NEW YORK UNIVERSITY
SALOMON CENTER

Frontiers in Finance
Executive Seminars

THE DISTRESSED AND HIGH-YIELD DEBT MARKETS

December 14-15, 2004



The Distressed and High-Yield Debt Markets

December 14-15, 2004

These are dynamic times for the distressed debt, high-yield and leveraged loan markets. Following nearly a decade of unparalleled growth, positive investment performance and capital market acceptance, there was a dramatic increase in defaults of corporate bonds and bank loans. Investors and lenders suffered from the worst performance in the market's history. Indeed, 2002 was a record year for defaults and bankruptcies, but the number of defaults decreased dramatically in 2003 and has continued its downward trend in 2004. Consistent with record defaults, the size of the distressed debt market rose to over \$900 billion (face value) and \$500 billion (market value) at the start of 2003, and the number of new investors and the amount of money being managed in this alternative investment asset class increased considerably. Since then, the market has decreased due to a reduction in defaults and distressed securities. Still, the estimated market size for distressed debt was \$675 billion (face value) at the end of September 2004. The outlook for 2005, however, is for a renewed increase in defaults. Professor Edward Altman, the world's leading academic on distressed debt and high-yield securities, and his distinguished team of practitioner colleagues, will lead participants through these fascinating subjects, employing a balanced series of lectures, primers and panel discussions.

How You Benefit

- Acquire a current perspective on the investment challenges and opportunities in the high-yield and distressed debt and equity asset classes
- Explore how distress prediction models can assist credit related investment strategies
- Understand the dynamics of former investment grade "fallen-angel" securities
- Understand default and recovery rates and their relationships to various securities' attributes
- Identify the similarities and differences between higher yielding corporate bonds and higher yielding corporate loans and the information content of their market prices
- Analyze the role of rating agencies in these financial markets
- Explore modern portfolio theory's applicability to the high-yield debt investment process
- Understand the implications of current market conditions and risk characteristics for the credit derivatives markets
- Assess the current condition and development potential of the international high-yield debt and distressed securities markets, especially in Europe

Who Should Attend

- *Investors or potential investors in alternative asset markets*
- *Investment managers in corporate high-yield, leverage loan and distressed debt securities*
- *Hedge fund (alternative investment) specialists; pension, mutual funds and fund-of-funds representatives*
- *Sell-side analysts*
- *Sales and trading personnel*
- *Bank loan and workout officers*
- *Credit risk managers and analysts*
- *Managers in banking regulatory agencies*
- *Fixed-income research analysts.*

Our Practitioner Experts Include:

- **Allan Brown** – Concordia Capital & NYU Stern School of Business
- **Martin Fridson** – FridsonVision
- **Steve Miller** – Standard & Poor's
- **Mark Shenkman** – Shenkman Capital

Two Days of Focused Learning

Tuesday, December 14

Morning	Afternoon
<ul style="list-style-type: none">:: A Primer on the High-Yield Bond Market:: Modern Analytics on High-Yield Bonds:: The Importance of Recovery Rates on Defaulted Bonds and Bank Loans	<ul style="list-style-type: none">:: Challenges and Opportunities in Today's High-Yield Bond Market: Industry Panel: Mark Shenkman – Shenkman Capital Martin Fridson – FridsonVision:: Current Market Dynamics of Structured Financial Products

Wednesday, December 15

Morning	Afternoon
<ul style="list-style-type: none">:: Predicting Corporate Distress: Implications, for Alternative Asset Management:: Challenges and Opportunities in the Distressed Securities Market	<ul style="list-style-type: none">:: Investment Strategies in the Distressed Securities Market Allan Brown – Concordia Capital & NYU Stern School of Business:: The Dynamics of the Leverage Loan Market Steve Miller – Standard & Poor's

TO REGISTER

Please complete the enclosed **registration form** and send it **via fax** to: **(212) 995-4220**

Or send it **via mail** to:

NYU Salomon Center
Stern School of Business
44 West 4th Street, Suite 9-160
New York, NY 10012-11226

Telephone **(212) 998-0700**
E-mail **salomon@stern.nyu.edu**
www.stern.nyu.edu/salomon

Enrollment in this program is limited and early registration is encouraged.

Special discounts are available to **Stern Alumni, Corporate Associates** of the Salomon Center, members of the **Turnaround Management Association**, members of **GARP**, and subscribers to the **Defaulted Debt Index** Reports and Newsletter

Program Dates
December 14-15, 2004

Cost
\$2250

Location
NYU Stern, 44 West 4th Street
New York City

Program Faculty

Edward I. Altman is the Max L. Heine Professor of Finance at NYU Stern School of Business. He has an international reputation as an expert on corporate bankruptcy, high yield bonds, distressed debt and credit risk analysis. He was named Laureat 1984 by the Hautes Etudes Commerciales Foundation in Paris for his accumulated works on corporate distress prediction models and procedures for firm financial rehabilitation, awarded the Graham & Dodd Scroll for 1985 by the Financial Analysts Federation for his work on default rates on high-yield corporate debt, and named "Professor Honorario" by the University of Buenos Aires in 1996. Professor Altman is one of the founders and an Executive Editor of the international publication, *Journal of Banking and Finance* and Advisory Editor of a publisher series, *John Wiley Frontiers in Finance Series*. He has published over 100 articles in scholarly finance, accounting and economic journals. He is the current editor of the *Handbook of Corporate Finance* and the *Handbook of Financial Markets and Institutions* and the author of over 20 books, including *Recent Advances in Corporate Finance*; *Investing in Junk Bonds*; *Distressed Securities: Analyzing and Evaluating Market Potential and Investment Risk*; *Corporate Financial Distress and Bankruptcy*; and his most recent works *Managing Credit Risk: The Next Great Financial Challenge and Bankruptcy*, *Credit Risk and High-Yield Junk Bonds*. Professor Altman was inducted into the *Fixed Income Analysts Society Hall of Fame* in 2001 and elected President of *Financial Management Association* (2002) and an FMA Fellow in 2004. Professor Altman is unquestionably the leading academic in the world in the analysis of the risk/return performance of the high yield and distressed debt market securities and pioneered modern credit risk management. He leads the Salomon Center's research program in Credit & Debt Markets and is the Chair of TMA's Academic Advisory Board.

