

COURSE SYLLABUS

YEAR COURSE OFFERED: 2018

SEMESTER COURSE OFFERED: Spring

DEPARTMENT: Finance

COURSE NUMBER: FINA4350

NAME OF COURSE: Derivatives I: Options

NAME OF INSTRUCTOR: Ramon Rabinovitch

The information contained in this class syllabus is subject to change without notice. Students are expected to be aware of any additional course policies presented by the instructor during the course.

Learning Objectives

FINA4350 is an advanced undergraduate elective course designed to give the student a thorough analysis of the theory of OPTIONS and its applications in practice. The emphasis of this course is on the use of options in risk management by investors and firms of all sizes.

Major Assignments/Exams

Your final letter grade in this course is based on a weighted average of the HW assignments scores and the scores of three exams, as explained in part E below.

The HW assignments and the three exams are the ONLY requirements for a grade in this course.

Required Reading

COURSE SYLLABUS

1. **Required textbook:** John C. Hull, "*Fundamentals of futures and options markets*" 9th edition, Pearson.
2. **Required readings:** "*Characteristics and Risks of Standardized Options*", Published by the Options Clearing Corporation – OCC. Go to www.cboe.com and then go to PRODUCTS. Scroll down to the bottom of the page.
3. **Additional reading material may** be assigned throughout the semester and become part of the required reading material for the course.

Recommended Reading

None

List of discussion/lecture topics

We will cover Chapters:

- 9: Mechanics of options markets.**
- 11: Trading strategies involving options.**
- 10: Properties of stock options.**
- 13: Valuing stock options: The Black-Scholes-Merton model.**
- 15: Options on stock indices and currencies.**
- 17: The Greek letters.**
- 21: Interest rate options.**
- 22: Exotic options and other nonstandard products.**