

Derivatives

EM3E5M54

Program

PGE
PGE 3A -Finance (FIN)

UE

Seminars in Finance

Semester

B

Discipline

Finance

Contact hours

24 H

Number of spots

45

ECTS

5

Open to visitors

Yes

Language



Coordinator

Jean-Loup SOULA



List of lecturers

| Lecturer(s) | Email | Contact hours - lecture |
|-----------------|--|-------------------------|
| Jean-Loup SOULA | jlsoula@unistra.fr | 24 h |

Pedagogical contribution of the course to the program

Développer un management à impact grâce aux connaissances et aux outils les plus récents dans les domaines du management

Evaluate sustainable managerial practices using managerial concepts and instruments as well as digital tools

Design solutions adapted to organizational problems by applying relevant methodologies

Developing a strategic and managerial vision in a complex, uncertain and changing environment

Pratiquer un management à impact dans un environnement multiculturel et international, porté par un "European mindset"

Communicate in a professional context in (foreign) languages, in writing and/or orally

Formulate solutions to organizational challenges in a multicultural and international context, driven by a "European mindset"

Description

This course is designed to provide a basic understanding of derivative-related financial instruments (mainly options) and introduce the analytics of derivative valuation. Knowledge of basic pricing analysis, use of pricing models, and trading and hedging strategies are developed.

Students are first introduced to the basic techniques for pricing, hedging, and other analysis. And then, these techniques will be applied through an Introduction of hedging strategies.

Teaching methods

Face-to-face

- Lectures
- Tutorials
- E-learning

In group

- Exercises

Interaction

No items in this list have been checked.

Others

No items in this list have been checked.

Learning objectives

Cognitive domain

Upon completion of this course, students should be able to

- - (level 5) **value** derivatives
 - - (level 5) **appraise** regulations of derivative markets
 - - (level 5) **recommend** example(s) of derivatives use
 - - (level 5) **assess** market mechanics
 - - (level 6) **plan** arbitrage opportunities
 - - (level 6) **arrange** trading strategies on equity options
 - - (level 6) **construct** trading strategies according to their objective (speculation, hedging...) with derivatives
 - - (level 6) **compose** strategies based on the call-put parity
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Affective domain

Upon completion of this course, students should be able to

None affective domain have been associated with this course yet

Outline

1. Forward Contracts
 2. Futures Contracts
 3. Interest Rate Derivatives
 4. Swaps
 5. Options
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No prerequisite has been provided

Knowledge in / Key concepts to master

Elementary Analysis, Linear Algebra and Probability Theory
Basics in Microeconomics
Arbitrage

Teaching material

Mandatory tools for the course

- Computer
- Calculator

Documents in all formats

- Photocopies
- Worksheets
- Other :

Moodle platform

- Upload of class documents
- Assessments

Software

No items in this list have been checked.

Additional electronic platforms

No items in this list have been checked.

Recommended reading

Main reading material

1. Hull, John C. Options, Futures, and Other Derivatives, 10th (or 9th) Edition, Pearson, 2017 (2014)
2. Hull, John C. Solutions Manual for Options, Futures, and Other Derivatives, 10th (or 9th) Edition, Pearson, 2017(2014).

8th edition is probably much less expensive and works well for this course

Additional literature

No reading material has been provided.

EM Research: Be sure to mobilize at least one resource

Textbooks, case studies, translated material, etc. can be entered

No reading material has been provided.

Assessment

List of assessment methods

Intermediate assessment / continuous assessment 1 Other (date, pop quiz, etc.) : weeks following ends of chapters

Written (120 Min.) / Individual / English / Weight : 25 %

Details : Moodle quizzes

This evaluation is used to measure ILO1.1-PGE, ILO1.3-PGE

Final evaluation Last class

Written (120 Min.) / Individual / English / Weight : 75 %

Details :

This evaluation is used to measure ILO1.1-PGE, ILO1.3-PGE