

Governors State University
College of Business and Public Administration

GSU ARCHIVES
FIN 436A
5/5 2002

Course Number & Title: FIN 436 A Options and Futures
Session: Summer Trimester 2002 – Block II
Instructor: Dr. Dale F. Max, CFA
Telephone No. (708) 534 - 4965 (24 hour voice mail)
Fax No.: (708) 534 – 8457
Internet No.: D-Max@govst.edu
Office Hours: Tuesday: 3:50 – 6:20 P.M.
 Thursday: 3:50 – 6:20 P.M.

Credit Hours: Three

Catalog Description:

The study of modern concepts and issues in financial options and future markets. Emphasis on risk management in financial institutions and application in corporate finance and funds management.

Prerequisites: FIN 301

Textbook: Chance/Derivative Markets (5th Ed.) Harcourt
 College
 Publishers 2001

Periodicals: Wall Street Journal, Barrons, and Investors
 Business Daily.

Rationale:

The course is intended to provide an understanding of the risk and return potential of derivative securities. With informed judgment, the finance practitioner should be able to make better investment decisions.

Course Objectives:

1. Understand the mechanics of trading options and futures.
2. Calculate the expected profit or loss from an option or future trade.
3. Apply and evaluate alternative options and future pricing models.
4. Identify and explain futures and options strategies.
5. Discuss hedging strategies using derivatives
6. Locate and utilize securities related internet resources.

Course Evaluation Information:

Evaluation:	Homework	10%
	Midterm #1.	25%
	Midterm #2.	25%
	Final	40%

There will be no make-up exams. Late assignments will not be accepted. After two class absences, 2% basis points are subtracted for each class missed.

Traditional

Grading Scale:	90 -- 100 = A
	80 -- 89 = B
	70 -- 79 = C
	60 -- 69 = D
	20 -- 59 = F

Syllabus Statement for Persons with Disabilities:

It is the intention of the institution to support full participation of all students, regardless of physical ability level. Therefore, if any student needs consideration of his/her physical abilities in order to complete the course, please notify the instructor as soon as possible.

Course Schedule

<u>Tuesday/Thursday</u>	<u>Chapter</u>	<u>Topic</u>
6/27	1	Introduction
7/02	2	Option Markets
7/04	Holiday	Holiday
7/09	3	Option Pricing
7/11	5	Option Pricing Models
7/16	6	Basic Option Strategies
7/18	1, 2, 3, 5, 6	Midterm I
7/23	7	Advanced Option Strategies
7/25	8	Structure of Forward & Futures Markets
7/30	9	Forward & Futures Pricing
8/01	10	Futures Hedging Strategies
8/06	7 – 10	Midterm II
8/08	12	Options on Futures
8/13	13, 14	Foreign Currency
8/15	1 – 14	Comprehensive Final Exam