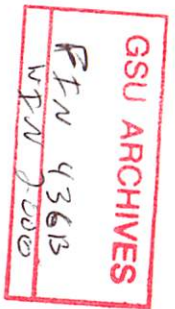


Governors State University  
College of Business and Public Administration



Course Number & Title: FIN 436B Options and Futures  
Session: Winter Trimester 2000 - BL III  
Friday: 6:00-8:50 P.M.  
Instructor: Dr. Dale F. Max  
Phone No: (708) 534-4965 (24 hour voice mail)  
Internet No: D-Max@govst.edu  
Office Hours: Monday: 10:45-11:45 A.M.  
Tuesday: 10:45-11:45 A.M.  
Thursday: 5:15-7:15 P.M.  
Credit Hours: Three

Catalog Description:

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

Prerequisites: FIN 301

Textbook: Chance/Derivative Markets (4th Ed.) 1998  
Harcourt, Brace and Co.

Periodicals: Wall Street Journal, Barrons, 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 futures trade.
- 3) Apply and evaluate alternative option and futures pricing models.

- 4) Identify and explain futures and options strategies.
- 5) Discuss hedging strategies using derivatives.
- 6) Locate and utilize internet resources.

Course Evaluation Information:

Evaluation:

Midterm I	20%
Midterm II	20%
Final	40%
Assignments and class participation	20%

There will be no make-up exams. Late assignments will not be accepted. After two class absences, 2% 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>Class</u>		<u>Chapter</u>	<u>Topic</u>
1.	Jan. 14	1	Introduction
2.	Jan. 21	2	Option Markets
3.	Jan. 28	3+4	Option Pricing
4.	Feb. 4	5	Basic Option Strategies
5.	Feb. 12	Test (1-5)	Midterm I
6.	Feb. 18	6	Advanced Option Strategies
7.	Feb. 25	7	Forwards and Futures
8.	Mar. 3		Spot Pricing
9.	Mar. 10		Forward + Future Pricing
10.	Mar. 17		Future Hedging Strategies
11.	Mar. 24	Test (6-10)	Midterm II
12.	Mar. 31	12	Options and Futures
13.	Apr. 7	13	Foreign Exchange Derivatives
14.	Apr. 14	14,16	Swaps, Risk Mgmt.
15.	Apr. 21		Comprehensive Final Exam

11/18/99  
vt