
Capital University of Economics and Business

Overseas Chinese College

Course Syllabus

Year and Semester 2020 Spring (March 2, 2020 - July 12, 2020)

Course Name Derivatives

Course Code EFIN413

Course Type

- General Education (Required)
- General Education (Elective)
- Professional Course (Required)
- Professional Course (Elective)
- Basic Disciplinary Course

Course Credits 3

Course Hours 48

Instructor Celia. Zhang

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Office Hour TBD

Learning Centre TBD

<u>Course</u>	<u>Grade/Section</u>	<u>Place</u>	<u>Time</u>
	2017BA/Y01	5#111	W:10:10-12:00/F:10:10-11:00

Textbook

John C.Hull (2016) *“Fundamentals of Futures and Option Markets”* 8th ed. China Machine Press

ISBN: 978-7-111-54214-8

Course Description

This course presents a framework for fundamentals of derivative market, it covers forward, futures, swaps and options.

Student Learning Objectives

After study of this course, students should able to have good knowledge of how these derivatives work, how they are used, how they are priced and how financial institutions hedge their risk when they trade the products in derivative market.

Teaching Methods

This course contains online and offline lectures, discussions, homework, quizzes, presentation, and exams.

Grade Criterion

Component	Weight	Description
Final Exam	20%	A final examination will be given based on all of the contents of the course. The exam paper may be composed of multiple-choice questions, short answer questions, essay questions, and calculation problems. Students should rely primarily on homework assignments and quizzes to give them a sense of what they may see for material on exams.
Mid-Term Test	20%	A cumulative midterm test will be given based on all of the contents that have been taught in the course. The test paper may be composed of multiple-choice questions, short answer questions, essay questions, and calculation problems.
Homework	10%	Most of the assigned homework is taken from the exercises in the textbook. Assignments will be collected on the date indicated. Late assignments will not be accepted. Graded assignments will be kept by the tutor for reference and won't be returned to students.
Quizzes	20%	There will be at least 2 quizzes during the semester. Quizzes may or may not be announced in advance. It may also be used as a way to check the attendance. Quizzes will test your knowledge of both concepts and the application of those concepts.
Presentation	10%	The students will be divided into several groups to prepare a presentation. Each student is required to be involved in the presentation. The topics can be selected from the textbook or lectures. Each group needs to finish a PPT related to their topic and hand in the related resources to the teacher before the presentation.
Participation	10%	Group discussions of the course material are an important part of the learning process in this course. Students are expected to make a meaningful contribution to the class, whether by asking questions, responding to questions, delivering presentations or contributing in other ways to class discussion.
Attendance	10%	Refer to attendance policy listed below
Total	100%	

Detailed Grade Computation

	Before Midterm	After Midterm
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Attendance	5%	5%
Participation	5%	5%
Homework		10%
Quizzes	10%	10%
Presentation		10%
Midterm test	20%	
Final exam		20%
Total	40%	60%

Grading Policy

A+ 97-100	A 93-96	A- 90-92	B+ 87-89	B 83-86	B-
80-82	C+ 75-79	C 70-74	C- 67-69	D+ 63-66	D
62-60	F 0- 59				

Exam Schedule

Midterm Test: April 20 – April 24, 2020

Final Exam: June 15 – June 19, 2020

Assessment of Student Performance

☞ Self-Study and Reading ability Practice

Instructor will give out the chapters or the reference books to read and use class hours to have discussion; students should be able to show a proactive attitude and ability for self-study and reading. Knowledge and oral English will be elements of homework or presentation score.

☞ Homework

Students should finish marked homework by themselves. Copying from others will be treated as cheating and the homework scores will be lowered. Students should hand in all assignments on time. Late assignments will be accepted at the discretion of the instructor (i.e., when the student was ill or had an excused absence). Late assignments without reasonable proof will be reduced in score by 50%.

☞ Attendance

The course covers a great deal of material, so attending every class session is very important for performing well.

- ◆ Being late for 15 minutes or more is considered an absence.
- ◆ Five hours or above of unexcused absences will result in the lower level of the final grade by one grade band (e.g. from C – to D +). Any excused absence must be discussed directly with the teacher.
- ◆ Absence which is more than 1/3 of the total teaching hours will cause an F (a failing grade) directly but students are welcome to continue attending classes.
- ◆ An incomplete grade (I) will be considered in case of medical or family emergencies.

☞ Participation

- ◆ Students should participate in classes actively. They are encouraged to ask questions relevant to the subject and express their own opinions. Every student should respect the ideas, opinions, and questions of their classmates.
- ◆ Students should also use office hours to ask questions or talk with the instructor for good communication and effective learning.
- ◆ Frequent visiting the instructor and chatting in English during office hours is highly recommended.
- ◆ Any misbehavior and non-class related activities in class will result in the lower level of the participation grade, including ringing cell phones.
- ◆ All above behaviors will be solely evaluated by the instructor for scoring.

☞ Textbook and Calculator

Students must bring the textbook to class.

Course Outline

Week	Date	Schedule
1	4 March 2020 6 March 2020	Chapter 1: Introduction (Online Teaching)
2	11 March 2020 13 March 2020	Chapter 3: Hedging Strategies using Futures (Online Teaching)
3	18 March 2020 20 March 2020	Chapter 3: Hedging Strategies using Futures (Online Teaching & Exercise)
4	25 March 2020 27 March 2020	Chapter 4: Interest Rate (Online Teaching)
5	1 April 2020 3 April 2020	Chapter 5: Determination of Forward and Futures Prices (Online Teaching)
6	8 April 2020 10 April 2020	Chapter 5: Determination of Forward and Futures Prices (Online Teaching & Quiz I) Chapter 6: Interest Rate Futures
7	15 April 2020 17 April 2020	Chapter 6: Interest Rate Futures Spring Sports Day
8	20-24 April 2020	Midterm Test Midterm Paper Analysis
9	29 April 2020 1 May 2020	Chapter 7: Swaps May Day Holiday
10	6 May 2020 8 May 2020	Chapter 7: Swaps & Chapter 8: Securitization and the Credit Crisis of 2007 Chapter 8: Securitization and the Credit Crisis of 2007
11	13 May 2020 15 May 2020	Chapter 9: Mechanics of Options Markets
12	20 May 2020 22 May 2020	Chapter 9&10: Properties of Options
13	27 May 2020 29 May 2020	Chapter 12: Introduction to Binomial Trees
14	3 June 2020 5 June 2020	Chapter 12: Introduction to Binomial Trees Quiz II
15	10 June 2020 12 June 2020	Quiz analysis and Final Exam Revision
16	15-19 June 2020	Final Exam

Note: Chapter 2 & 11 are left for self-study, which are the students' duty to learn and understand, they may also be included in the quizzes or exams.

Teacher's Office Hour

- ◆ The instructor's office hours are shown on the front of the office door.
- ◆ Students should use the instructor's office hours and learning center to ask questions or talk with the instructor once per week for good communication and effective learning, which is recorded in the students' participation.

- ♦ The time can be scheduled by instructors or students, or both.

Cheating and Plagiarism

Cheating and plagiarism are not tolerated. If any thoughts or writings of another person are used in a relevant assessment, they must be clearly identified (usually using quotation marks) and the source noted. Any student caught cheating or engaging in plagiarism on a relevant assessment will be given a mark of zero (0) for the particular work, and will be subject to disciplinary action in accordance with university policy.

Important Dates

Spring Semester, 2019	February 25, 2019— July 14, 2019
February. 23	Registration
February. 24	Classes Begin
February. 28	Last Day to Drop or Add a course
Apr. 4	Qing Ming Festival
Apr. 17	Spring Sports
Apr. 20-24	Mid-term Test
May 1	Labor Day
May 11-15	Summer School Registration
June 15-19	Sophomore and Junior students' Final Exam
June 22 - July 12	Sophomore and Junior students' Social Practice
June 25	Dragon-boat Festival
June 27-July 10	Revision and Final Exam Period
July 13	Summer Vacation Begins

***Note:** This syllabus is tentative and may be changed or modified throughout the semester. All students will be notified of any changes.*

Instructor: _____

Department Head: _____