

# Business Administration

Course Number:	<b>BUAD 353</b>
Course Title:	<b>DERIVATIVE SECURITIES</b>
Credits:	3
Calendar Description:	This course discusses the valuation methods and hedging strategies of options, futures, swaps and other financial derivatives. It presents a balance of the institutional details, theoretical foundations, and practical applications.
Semester and Year:	<b>WINTER 2022</b>
Prerequisite(s):	BUAD 350 and minimum third-year standing
Corequisite(s):	



**Professor**

<b>Elena Mitropolsky</b> <i>Course Captain</i>	<b>K: C143</b>	<b>emitropolsky@okanagan.bc.ca</b>

**Learning Outcomes**

Upon completion of this course student will be able to

- Analyze profit/loss of options, futures, swaps, and other derivatives
- Demonstrate sufficient knowledge of the pricing mechanism of derivatives.
- Trade derivatives as hedgers or speculators.
- Design strategies in portfolio management using various derivatives.

**Course Objectives**

This course will cover the following content:

**Notes**

In order to pass this course, the student must obtain a weighted average of 50% or higher on the exams. There will be no make-up or supplementary exams/quizzes. Class attendance and active class participation/contributions are expected.

**Course Format**

Lectures, in-class discussions, investment practice, assignments and quizzes, and exams.

**Investment Practice - Individual**

The investment practice component requires students to participate in the StockTrak Global Portfolio Simulations. The registration link will be provided separately.

The due date for registration is **January 25** and you are encouraged to register ASAP. You can start trading on January 1 and your last trading day is April 30.

You are allowed to trade stocks, bonds, options, futures and spots.

You will be given trading assignments to complete through the course.

**Required Texts/Resources**

- Fundamentals of Futures and Options Markets, John C. Hall, Pearson

Course Schedule

Date		Topic	Textbook
2022 Week of		Wednesday, January 5 - Classes Start Monday, February 21 - Statutory Holiday (no classes) Tuesday, February 22 - Friday, February 25 Mid-semester study break (no classes) Friday, April 8 - Last Day of Regular Classes Friday, April 15 - Monday, April 18 - Statutory Holidays	
Jan	5	Introduction Arbitrage discussion Uses of derivatives	1, 2
	10	Introduction to f	

## **SKILLS ACROSS THE BUSINESS CURRICULUM**

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The Okanagan School of Business promotes core skills across the curriculum. These skills include reading, written and oral communications, computers, small business, and academic standards of ethics, honesty and integrity.