

Business Administration

Course Number:	BUAD 353
Course Title:	DERIVATIVE SECURITIES
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:	WINTER 2021
Prerequisite(s):	BUAD 350 and minimum third-year standing
Corequisite(s):	No
Prerequisite to:	No
Final Exam:	Yes
Hours per week:	3
Graduation Requirement:	Elective BBA, Finance
Substitutable Courses:	No
Transfer Credit:	
Special Notes:	
Development Date:	January 2003
Revision Date:	November 2013

Professor

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

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:
See weekly schedule

Evaluation Procedure

Investment Practice	15%
Term work	20%
Mid-term Exam	30%
Final Exam	35%
Total	100%

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. If you already have a StockTrak account from last semester, you can continue using it. Otherwise please register using this link:

<https://www.stocktrak.com/members/registerstudent?className=353-2020>

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
Study Guide

Course Schedule

Date	Topic	Textbook
2021 Week of	Monday, January 11 First Day of Classes	
	Monday, February 15 STAT	
	Tuesday, February 16 Friday, February 19 Reading Break	
	Friday, April 2 Monday, April 5 -ril 5	

SKILLS ACROSS THE BUSINESS CURRICULUM

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.

STUDENT CONDUCT AND ACADEMIC HONESTY

What is the Disruption of Instructional Activities?

examinations, lectures, seminars, tutorials, group meetings, other related activities, and with students using the study for disruption of instructional activities include a range o