University of St.Gallen

8,152: Derivatives

Subject information

ECTS-Credits: 4

Attached courses

Timetable	Language	Lecturer
8,152,1.00 Derivatives	**English**	**Ammann Manuel, Seiz Ralf**

Course information

Course prerequisites

The primary objective of this course is to provide students with an advanced introduction to derivative instruments, concepts, applications, and models necessary to analyze those instruments.

The course is designed for students interested in modern financial instruments, their applications, and quantitative methods. **As prerequisites the courses "Financial Markets" and "Quantitative Methods" are required. No previous derivatives courses are required.**

Course content

Futures, Hedging, Options, Option Pricing, Risk Management, Structured Products, Exotic Options, Fixed Income & Credit Derivatives

Course structure

1. **Introduction**
2. **Futures**
3. **Hedging**
4. Exercise 1: Futures & Hedgings
5. **Options**
6. **Option Pricing**
7. Exercise 2: Options
8. **Guest lecture**
9. **Risk Management**
10. Exercise 3: Risk Management
11. **Structured Products**
12. Exercise 4: Structured Products
13. **Exotic Options**
14. **Fixed Income & Credit Derivatives**
15. Exercise 5: Fixed Income & Credit Derivatives

Course literature

John C. Hull, *Options, Futures, and Other Derivatives*, 7th Ed., Prentice-Hall, 2008

The course material will be made available on StudyNet.

Course additional information

The self study includes the indicated readings as well as five problem sets which will be made available on StudyNet.

The problem sets will be discussed in the respective sessions.

Information about the Examination

Examination type

decentral - Written examination (100%, 90 mins.)

Examination aids

Extended Closed Book

Examination aids may be used, but they must be exhaustively listed in the additional list of examination aids, which must also define whether the use of an extended pocket calculator is admissible. The following rules apply:

- A simple pocket calculator in accordance with the exhaustive list in the "Pocket calculators" fact sheet is admissible. In the additional list of examination aids it is defined whether the use of an extended pocket calculator (incapable of communication) is admissible. For the definition of the admissible pocket calculators , cf. general regulations concerning examination aids of 14 December 2010 and the "Pocket calculators" fact sheet. Any other EDP and electronic means of communication such as notebooks, PDAs and mobile telephones, etc., are inadmissible.
- A bilingual dictionary (without handwritten notes) may be used if the examination questions and/or answers are not in the candidate's native language. Electronic dictionaries are inadmissible.
- The procurement of these examination aids (including pocket calculators) is exclusively the students' responsibility.
- Only the examination aids listed in the additional list of examination aids are admissible.

Aids extension

You may bring a simple scientific calculator and a double-written A4-Cheat-Sheet.

Question language: **English**

Answer language: **English**

Examination content

The content of the exam refers to the topics of the entire course.

Exam-relevant literature

John C. Hull, *Options, Futures, and Other Derivatives*, 7th Ed., Prentice-Hall, 2008. In addition to that, course material given in the class and made available on StudyNet will be relevant for the exam.

Attention please:

We would like to point out to you that this fact sheet has absolute priority over other information such as StudyNet, faculty members' personal databases, information provided in lectures, etc.

When will the fact sheets become binding?
Information about courses: from the start of the bidding process on 19 January 2010
Information about decentral examinations: after the 4th semester week on 22 March 2010
Information about central examinations: from the start of the enrolment period for the examinations on 12 April 2010

Please look at the fact sheet once more after these deadlines have expired.