

Tamkang University Academic Year 106, 1st Semester Course Syllabus

Course Title	DERIVATIVES	Instructor	WANG, REN-HE
Course Class	TLUXM1A TKU-QUT DUAL MASTER DEGREE PROGRAM IN FINANCE (ENGLISH-TAUGHT PROGRAM), 1A	Details	◆ Selective ◆ One Semester ◆ 2 Credits
D e p a r t m e n t a l A i m o f E d u c a t i o n			
I . To cultivate a professional understanding of the theory and skills of finance. II. To be able to solve practical problems by professional knowledge of finance. III. Possess the ability to communicate and express views regarding financial profession. IV. Emphasize corporation and coordination within a team. V. To expand international vision and civic awareness.			
D e p a r t m e n t a l c o r e c o m p e t e n c e s			
A. Have a strong grasp of the advanced knowledge and skills in professional finance. B. Possess the advanced application ability to financial practices. C. To be capable of communicating and expressing views in terms of advanced finance. D. Illustrate the ability of corporation and coordination within a team. E. Understand international financial issues and corporate responsibility.			
Course Introduction	Derivatives markets have become increasingly important in the world of finance and investments. It is now essential for all finance professionals to understand how these markets work, how they can be used, and what determines prices in them. This course addresses these issues.		

The Relevance among Teaching Objectives, Objective Levels and Departmental core competences

I.Objective Levels (select applicable ones) :

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|-------------------------|--|--|
| (i) Cognitive Domain | : C1-Remembering, C2-Understanding, C3-Applying, C4-Analyzing, C5-Evaluating, C6-Creating | |
| (ii) Psychomotor Domain | : P1-Imitation, P2-Mechanism, P3-Independent Operation, P4-Linked Operation, P5-Automation, P6-Origination | |
| (iii) Affective Domain | : A1-Receiving, A2-Responding, A3-Valuing, A4-Organizing, A5-Characterizing, A6-Implementing | |

II.The Relevance among Teaching Objectives, Objective Levels and Departmental core competences :

- (i) Determine the objective level(s) in any one of the three learning domains (cognitive, psychomotor, and affective) corresponding to the teaching objective. Each objective should correspond to the objective level(s) of ONLY ONE of the three domains.
- (ii) If more than one objective levels are applicable for each learning domain, select the highest one only. (For example, if the objective levels for Cognitive Domain include C3,C5,and C6, select C6 only and fill it in the boxes below. The same rule applies to Psychomotor Domain and Affective Domain.)
- (iii) Determine the Departmental core competences that correspond to each teaching objective. Each objective may correspond to one or more Departmental core competences at a time. (For example, if one objective corresponds to three Departmental core competences: A,AD, and BEF, list all of the three in the box.)

No.	Teaching Objectives	Relevance	
		Objective Levels	Departmental core competences
1	Introduce the two main products trading on exchanges are futures and options. The market participants are now subject to rules specifying how trading must be done, how trades must be reported, and the collateral that must be provided.	C5	A

Teaching Objectives, Teaching Methods and Assessment

No.	Teaching Objectives	Teaching Methods	Assessment
1	Introduce the two main products trading on exchanges are futures and options. The market participants are now subject to rules specifying how trading must be done, how trades must be reported, and the collateral that must be provided.	Lecture	Written test

This course has been designed to cultivate the following essential qualities in TKU students			
Essential Qualities of TKU Students		Description	
◇ A global perspective		Helping students develop a broader perspective from which to understand international affairs and global development.	
◆ Information literacy		Becoming adept at using information technology and learning the proper way to process information.	
◇ A vision for the future		Understanding self-growth, social change, and technological development so as to gain the skills necessary to bring about one's future vision.	
◇ Moral integrity		Learning how to interact with others, practicing empathy and caring for others, and constructing moral principles with which to solve ethical problems.	
◇ Independent thinking		Encouraging students to keenly observe and seek out the source of their problems, and to think logically and critically.	
◇ A cheerful attitude and healthy lifestyle		Raising an awareness of the fine balance between one's body and soul and the environment; helping students live a meaningful life.	
◇ A spirit of teamwork and dedication		Improving one's ability to communicate and cooperate so as to integrate resources, collaborate with others, and solve problems.	
◇ A sense of aesthetic appreciation		Equipping students with the ability to sense and appreciate aesthetic beauty, to express themselves clearly, and to enjoy the creative process.	
Course Schedule			
Week	Date	Subject/Topics	Note
1	106/09/18 ~ 106/09/24	Introduction	
2	106/09/25 ~ 106/10/01	Mechanics of Futures Markets	
3	106/10/02 ~ 106/10/08	Hedging Strategies Using Futures	
4	106/10/09 ~ 106/10/15	Hedging Strategies Using Futures	
5	106/10/16 ~ 106/10/22	Interest Rates	
6	106/10/23 ~ 106/10/29	Determination of Forward and Future Prices	
7	106/10/30 ~ 106/11/05	Determination of Forward and Future Prices	
8	106/11/06 ~ 106/11/12	Interest Rate Futures	
9	106/11/13 ~ 106/11/19	Interest Rate Futures	
10	106/11/20 ~ 106/11/26	Midterm	
11	106/11/27 ~ 106/12/03	Mechanics of Options Markets	
12	106/12/04 ~ 106/12/10	Properties of Stock Options	

13	106/12/11 ~ 106/12/17	Trading Strategies Involving Options	
14	106/12/18 ~ 106/12/24	Introduction to Binomial Trees	
15	106/12/25 ~ 106/12/31	Introduction to Binomial Trees	
16	107/01/01 ~ 107/01/07	Valuing Stock Options:The Black-Scholes-Merton Model	
17	107/01/08 ~ 107/01/14	Valuing Stock Options:The Black-Scholes-Merton Model	
18	107/01/15 ~ 107/01/21	Final Exam	
Requirement			
Teaching Facility		Computer	
Textbook(s)		Fundamentals of Futures and Options Markets John C. Hull 8 Edition	
Reference(s)			
Number of Assignment(s)		(Filled in by assignment instructor only)	
Grading Policy		◆ Attendance : 10.0 % ◆ Mark of Usual : % ◆ Midterm Exam : 40.0 % ◆ Final Exam : 50.0 % ◆ Other < > : %	
Note		This syllabus may be uploaded at the website of Course Syllabus Management System at http://info.ais.tku.edu.tw/csp or through the link of Course Syllabus Upload posted on the home page of TKU Office of Academic Affairs at http://www.acad.tku.edu.tw/CS/main.php . ※ Unauthorized photocopying is illegal. Using original textbooks is advised. It is a crime to improperly photocopy others' publications.	