

## Tamkang University Academic Year 107, 2nd Semester Course Syllabus

Course Title	FUTURES AND OPTIONS	Instructor	HSIAO, I-FAN
Course Class	TLFBB4A DIVISION OF GLOBAL COMMERCE, DEPARTMENT OF INTERNATIONAL BUSINESS (ENGLISH TAUGHT PROGRAM), 4A	Details	<ul style="list-style-type: none"> <li>◆ Selective</li> <li>◆ One Semester</li> <li>◆ 2 Credits</li> </ul>
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			
<p>I. To instill the university motto of "Simplicity, Firmness, Perseverance, and Fulfillment" into students.</p> <p>II. By integrating the "Five Disciplines" of education, the qualities of conduct, intelligence, physical education, teamwork, and beauty into the professional, core, and extracurricular curriculum, the department helps to produce well-rounded students skilled in identifying and solving problems.</p> <p>III. To oversee the trend and foresee the development of global economy, the department aims to produce the graduates with expertise in the fields of International Business and Trade.</p>			
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			
<p>A. Breeding professionals with expertise in general International Trade and International Business.</p> <p>B. Consisting of Globalization, Information-Oriented and Future-Oriented education.</p> <p>C. Producing graduates with capability of foreseeing and analyzing the development of Global Economy.</p> <p>D. Breeding professionals with expertise in Marketing and Financial Management.</p>			
Course Introduction	<p>The course provides concepts of financial derivatives, and specifically introduces the functions of futures and options. concepts of investment strategy, hedging strategy and risk management are included in the course.</p> <p>The class emphasizes the applications and tactics by means of realistic cases rather than formal financial theories. Students are expected to have basic ability to explain the functions of financial derivatives and be able to fully understand the essentials of financial investment.</p>		

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

I.Objective Levels (select applicable ones) :

- (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-Charaterizing, 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	To understand the functions of financial derivatives	C4	ABCD
2	To understand the essentials of financial investment	C4	ABCD

**Teaching Objectives, Teaching Methods and Assessment**

No.	Teaching Objectives	Teaching Methods	Assessment
1	To understand the functions of financial derivatives	Lecture, Discussion, Simulation	Written test, Participation
2	To understand the essentials of financial investment	Lecture, Discussion, Simulation	Written test, Participation

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	108/02/18 ~ 108/02/24	Course introduction	
2	108/02/25 ~ 108/03/03	Forward and futures contract	
3	108/03/04 ~ 108/03/10	Pricing forwards and futures- I	
4	108/03/11 ~ 108/03/17	Pricing forwards and futures- II	
5	108/03/18 ~ 108/03/24	Hedging with futures and forwards	
6	108/03/25 ~ 108/03/31	Interest-rate forwards and futures	
7	108/04/01 ~ 108/04/07	Options market - I	
8	108/04/08 ~ 108/04/14	Options market - II	
9	108/04/15 ~ 108/04/21	Exam revision	
10	108/04/22 ~ 108/04/28	Midterm Exam Week	
11	108/04/29 ~ 108/05/05	Options: Payoffs and Trading - I	
12	108/05/06 ~ 108/05/12	Options: Payoffs and Trading - II	

13	108/05/13 ~ 108/05/19	Put-Call Parity	
14	108/05/20 ~ 108/05/26	Option Pricing	
15	108/05/27 ~ 108/06/02	Graduate Exam Week	
16	108/06/03 ~ 108/06/09	---	
17	108/06/10 ~ 108/06/16	---	
18	108/06/17 ~ 108/06/23	---	
Requirement			
Teaching Facility	Computer, Projector		
Textbook(s)	Derivatives - Principles and Practice (2nd Edition), Rangarajan K. Sundaram & Sanjiv. R. Das		
Reference(s)			
Number of Assignment(s)	(Filled in by assignment instructor only)		
Grading Policy	◆ Attendance : 20.0 %    ◆ Mark of Usual : 10.0 %    ◆ Midterm Exam : 35.0 % ◆ Final Exam : 35.0 % ◆ Other < > :        %		
Note	This syllabus may be uploaded at the website of Course Syllabus Management System at <a href="http://info.ais.tku.edu.tw/csp">http://info.ais.tku.edu.tw/csp</a> or through the link of Course Syllabus Upload posted on the home page of TKU Office of Academic Affairs at <a href="http://www.acad.tku.edu.tw/CS/main.php">http://www.acad.tku.edu.tw/CS/main.php</a> . <b>※ Unauthorized photocopying is illegal. Using original textbooks is advised. It is a crime to improperly photocopy others' publications.</b>		