



BUSFIN 4229: OPTIONS AND FUTURES SPRING 2026

INSTRUCTOR: Prof. Pirim

OFFICE: 242 Fisher Hall and 301B Fisher Hall

E-MAILS: pirim.1@osu.edu & weiner.221@osu.edu

(Please email with the subject "BUSFIN 4229")

Please allow 24 hours to respond.

WEB PAGE: Carmen

CLASS TIMES AND ROOMS: Mon/Wed 12:45 pm – 2:05 pm (ET) - Schoenbaum 205

Wednesdays 2:15 pm to 3:15 pm (ET) via Zoom OR

VIRTUAL OFFICE HOURS: by appointment, please email with the subject "BUSFIN 4229"

TEXTBOOK: McDonald., R., "Derivatives Markets", 3rd Edition, Prentice Hall, Pearson.

ISBN-13: 978-0321543080 (Hardcover)

Course Description

This course is designed to introduce you to financial derivatives market. *Financial derivatives* have become an indispensable part in today's economy. Examples are stock options, oil futures, currency contracts, credit derivatives and much more. They are used for *compensation, speculation, yield enhancements* of investments, and, most importantly, for *risk management*. Since every company is exposed to some sort of risk, there is virtually no company that does not deal with derivatives in some way.

The course starts with a general look at using futures and options to hedge exposure to different types of risk. We then analyze each of the main types of derivatives in turn, starting with forwards and futures moving on to options. This analysis will use no arbitrage arguments to determine how to construct a fair contract between the parties involved and how to value this contract as time and the value of the underlying asset change. As a side effect of the no arbitrage arguments we also construct arbitrage strategies to take advantage of any mispriced derivative products.

This course last explores the valuation of forwards, futures and options, forward-based, and option-based financial instruments. While the techniques for the valuation of options and futures at first might appear advanced and difficult, they are easily and conceptually digestible. Upon completion of the course you should have a good grasp of the practical uses of financial forwards/futures and option contracts as well as being able to calculate key parameters for each.



Course Objectives

By the end of this course, students should successfully be able to:

- (1) understand the basic concepts and principles of financial derivatives contracts; forwards, futures and options.
- (2) learn skills used in derivative contract analysis and valuation,
- (3) evaluate trading and speculation opportunities available in the current financial markets, and
- (4) assess the influence of economic events upon pricing.

Prerequisite

Derivatives valuations is a technically demanding area, and although no math other than algebra is required, students should be comfortable with basic statistics (such as variance, correlation, linear regression and distribution) and fundamental finance topics (principally time value of money and compounding). Occasionally concepts will be explained using some calculus, but this should only require a basic conceptual understanding.

Course Materials

Required Textbook

Title: "Derivatives Markets", 3rd Edition, and Prentice Hall-Pearson

Author: Robert L. McDonald

ISBN-13: 978-0321543080 (Hardcover)

This book is available at the bookstore and at www.amazon.com

Lecture Materials

There will be lecture materials such as power point slides, handouts, sample problems and solutions to at the end of chapter problems on CARMEN. In addition, any other materials will be posted in the form of MS Word, Power Point and/or Adobe Acrobat files. You are responsible for all material posted on Carmen. Lecture may go beyond the scope of the textbook for certain topics. Therefore, it is important for you to attend every class session as well as virtual Zoom office hours and ask questions. You are responsible for all announcements made in class. Class lectures will sometimes involve working through problems. After class, I encourage you to do the calculations again yourself without looking at solutions. And if you are struggling with the material reach out to us as soon as possible.

Suggested End-of-Chapter Problems (Optional)

The course textbook has a set of problems at the end of each chapter. These questions are designed to help students assess their understanding of chapter topics. Some of these problems/questions will be selected from each chapter and will be posted on Carmen. Students should try to answer these problems after they finish reading a chapter to check their understanding of the topics covered.

Suggested Readings (Optional)

Wall Street Journal: www.wsj.com

Financial Times: <http://www.ft.com/home/us>



Bloomberg: www.bloomberg.com

Yahoo! Finance: <http://finance.yahoo.com/>

Freakonomics: <http://freakonomics.blogs.nytimes.com/>

Real Time Economics (WSJ): <http://blogs.wsj.com/economics/>

Calculated Risk: <http://www.calculatedriskblog.com/>

Economy and Economics of Everyday Life: <http://economix.blogs.nytimes.com>

Other Sources

We strongly encourage students to do regular reading of the financial press, such as the Wall Street Journal, Financial Times, or the business section of the New York Times. There also are websites dedicated to derivatives markets. Futures Magazine (<http://www.futuresmag.com>) provides information on daily trading. Also, information about stock trading, including real-time access to news and option and stock quotes can be found on the web site of the Chicago Board of Options Exchange (CBOE, <http://www.cboe.com>). Other tools such as Bloomberg and DataStream International that were used in previous finance classes also will be useful in this course.

Course Structure

Mode of delivery: "The mode of instruction for each class is determined by the university and is subject to change at the discretion of the university in reliance on the guidance received from the U.S. Centers for Disease Control and Prevention, the Ohio Department of Health and local health authorities. Unless altered by the university, all classes must be taught in the listed mode of instruction. Instructors are not expected to present sections in multiple teaching modes. Students who are uncomfortable taking courses in-person should consult with their advisor about distance learning options. "Hence, **our class will be in-person with the exception of the office hours.**

Office hours on Wednesdays 2:15 pm to 3:15 pm (ET)

The Zoom information is listed below.

<https://osu.zoom.us/j/94441985757>

Meeting ID: 944 4198 5757

Password: 1234

Credit hours and work expectations: This is a 3-credit-hour course. According to Ohio State policy, students should expect around an average of 3 hours per week of time spent on direct instruction (instructor content and Carmen activities) in addition to 6 hours of homework (reading and assignment preparation).

Course Website

The course website is located on Carmen. A student must be registered for the course to access the course web site.

Important Resources on the Course Website:

- Course syllabus
- Supplemental course material used (or mentioned) in class
- Lecture notes (PowerPoint slides)
- Course announcements



- Problem sets and solutions
- Detailed solutions for suggested end-of-chapter problems in the course text
- Posted exam scores (privately for each student)
- Exam formulas
- **Logging in Carmen:** Be sure you are logging in to the course in Carmen on a regular basis.

Course Technology:

For help with your password, university email, Carmen, or any other technology issues, questions, or requests, contact the Ohio State IT Service Desk. Standard support hours are available at ocio.osu.edu/help/hours, and support for urgent issues is available 24/7.

- **Self-Service and Chat support:** ocio.osu.edu/help
- **Phone:** 614-688-4357(HELP)
- **Email:** servicedesk@osu.edu
- **TDD:** 614-688-8743

Required Technology skills specific to this course

- [CarmenZoom virtual meetings](#)
- Basic computer and web-browsing skills
- Navigating Carmen: for questions about specific functionality, see the [Canvas Student Guide](#)

Required equipment

- Calculator
- Computer: current Mac (OS X) or PC (Windows 7+) with high-speed internet connection
- Webcam: built-in or external webcam, fully installed and tested
- Microphone: built-in laptop or tablet mic or external microphone
- Other: a mobile device (smartphone or tablet) or landline to use for BuckeyePass authentication

Required software

- [Microsoft Office 365](#): All Ohio State students are now eligible for free Microsoft Office 365 ProPlus through Microsoft's Student Advantage program. Full instructions for downloading and installation can be found [at go.osu.edu/office365help](http://go.osu.edu/office365help)

Carmen access

You will need to use [BuckeyePass](#) multi-factor authentication to access your courses in Carmen. To ensure that you are able to connect to Carmen at all times, it is recommended that you take the following steps:

- Register multiple devices in case something happens to your primary device. Visit the [BuckeyePass - Adding a Device](#) help article for step-by-step instructions.
- Request passcodes to keep as a backup authentication option. When you see the Duo login screen on your computer, click **Enter a Passcode** and then click the **Text me new codes button** that appears. This will text you ten passcodes good for 365 days that can each be used once.
- Download the [Duo Mobile application](#) to all of your registered devices for the ability to generate one-time codes in the event that you lose cell, data, or Wi-Fi service.
- If none of these options will meet the needs of your situation, you can contact the IT Service Desk at 614-688-4357 (HELP) and IT support staff will work out a solution with you.



Course Requirements and Policies:

Exam Policy:

There will be three in-person examinations: two required midterms and one optional final, in this course. Exam questions will be similar to the examples and problem sets used in class, and we reserve the right to make any changes appropriate for the administration and evaluation of the class. The midterm and final exams will be 100 points each, consisting of all multiple-choice questions. The multiple-choice questions will involve both conceptual questions as well as analytical and calculation questions, based on materials covered in class, assignments and suggested problems at the back of each chapter.

All exams are closed-book/notes however a formula sheet will be provided during each exam. Each exam will cover certain topics in the course. The topics and related textbook chapters covered by each exam can be found in the **Tentative Course Schedule**.

Students should have for each exam:

1. A laptop or tablet computer
2. A financial calculator
3. A valid picture ID. You will not be permitted to take an exam without presenting a **valid photo ID**.

Exam schedule:

Midterm Exam I: **March 2nd, Monday (During Class)**

Midterm Exam II: **April 22nd, Wednesday (During Class)**

Final Exam: **April 29th, Wednesday at Dreese Lab 113 from 8:00 PM to 9:45 PM**

Make-up Exams:

As a general rule, make-up exams are NOT given in this course. However, a student may be allowed to take a make-up exam, if in the opinion of the instructor, there are special or extenuating circumstances. Without permission to take a make-up exam, failure to take an exam will result in grade of zero on the exam in question. Every effort should be made (e.g. email, voicemail, message with the Finance Department Office) to notify the instructor at least 24 hours in advance. The date/time of the make-up exam will be scheduled according to the instructor's schedule by the instructor.

Under no circumstances will a student be excused from a required exam

Problem Sets:

There will be total 5 problem sets. The problem sets will be posted on Carmen no later than 5:00 pm on the day indicated below in Table 1 and will be due on the day given at 11:59 pm in the Table 1. Solutions will be posted on Carmen, and no late problem sets will be accepted. You can work in a group **no more than four people** and submit **one copy per group**. Also, please remember that **late assignments will not be accepted**.



Course Grading Policy:

Your final course grade will be determined by the following:

Category	Date	Max Points	Percentage of total grade
Midterm Examination I	March 2 nd Monday	100 points	40 %
Midterm Examination II	April 22 nd , Wednesday	100 points	40 %
Problem Sets (Best 4 out of 5, max 25 points each)	Assessment Timetable	100 points	20 %
Final Examination (Best 2 out of 3 exams)	April 29 th , Wednesday	100 points	40 %

Total Course Grade = $0.4 \times (\text{Exam I Grade}) + 0.4 \times (\text{Exam II Grade}) + 0.2 \times (\text{4 Best Problem Sets Grade})$

After the total course grade has been calculated for all students, the average for the class is calculated. If the course class average is below 75%, a curve adjustment is applied. The curve adjustment equals 75% minus the course class average. If the course class average is equal or above 75%, a curve adjustment is not applied (that is curve adjustment is zero). **There will be NO extra credit work available in this course.**

The course grade will be converted to a letter grade for the course using the following grading scale:

Grading scale:

A	93 – 100	B+	87–89.9	C+	77–79.9	D+	67 –69.9	E	Below 60
A-	90 – 92.9	B	83–86.9	C	73–76.9	D	60 –66.9		
		B-	80–82.9	C-	70 –72.9				

We reserve the right to correct grades recorded on the course website, should we determine such entries were posted incompletely or incorrectly.

Faculty feedback and response time:

We are providing the following guidelines to give you an idea of our intended support throughout the course.

Grading and feedback:

- Problem set grades will be posted on Carmen within 7 days after the due date.



- Exam scores will be posted on Carmen within 7 days after the test date.

E-mail:

We will generally reply e-mails within 48 hours on school days and on many weekends.

Additional University Policies and Resources

You can find a list of university policies and resources at go.osu.edu/UPolicies, but here are a few important ones.

Religious accommodations: Ohio State has had a longstanding practice of making reasonable academic accommodations for students' religious beliefs and practices in accordance with applicable law. In 2023, Ohio State updated its practice to align with new state legislation. Under this new provision, students must be in early communication with their instructors regarding any known accommodation requests for religious beliefs and practices, providing notice of specific dates for which they request alternative accommodations within 14 days after the first instructional day of the course. Instructors in turn shall not question the sincerity of a student's religious or spiritual belief system in reviewing such requests and shall keep requests for accommodations confidential.

With sufficient notice, instructors will provide students with reasonable alternative accommodations with regard to examinations and other academic requirements with respect to students' sincerely held religious beliefs and practices by allowing up to three absences each semester for the student to attend or participate in religious activities. Examples of religious accommodations can include, but are not limited to, rescheduling an exam, altering the time of a student's presentation, allowing make-up assignments to substitute for missed class work, or flexibility in due dates or research responsibilities. If concerns arise about a requested accommodation, instructors are to consult their tenure initiating unit head for assistance.

A student's request for time off shall be provided if the student's sincerely held religious belief or practice severely affects the student's ability to take an exam or meet an academic requirement and the student has notified their instructor, in writing during the first 14 days after the course begins, of the date of each absence. Although students are required to provide notice within the first 14 days after a course begins, instructors are strongly encouraged to work with the student to provide a reasonable accommodation if a request is made outside the notice period. A student may not be penalized for an absence approved under this policy.

If students have questions or disputes related to academic accommodations, they should contact their course instructor, and then their department or college office. For questions or to report discrimination or harassment based on religion, individuals should contact the Office of Institutional Equity.

USE OF ARTIFICIAL INTELLIGENCE (AI): Unless we specifically mention otherwise (and in writing), the use of any AI-generated content in any deliverables in this course will be considered academic misconduct and will be acted on as such. Writing assignments will be turned in online and I will be using Turnitin and other applications that have AI detection algorithms. You need to complete the assignments using your own brain and your own thinking...which will lead to more of your own learning!



Disenrollment:

Fisher College University Rule 3335-8-33 provides that a student may be disenrolled after the third instructional day of the quarter, the first Friday of the quarter, or the student's second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.

Academic Integrity Policy:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute Academic Misconduct.

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: Any activity that tends to compromise the academic integrity of the University or subvert the educational process. Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an excuse for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me. You can also review these resources:

- [Committee on Academic Misconduct](#) (go.osu.edu/coam)
- [Ten Suggestions for Preserving Academic Integrity](#) (go.osu.edu/ten-suggestions)
- [Eight Cardinal Rules of Academic Integrity](#) (go.osu.edu/cardinal-rules)

Statement on Discrimination, Harassment, Sexual Misconduct and Title IX:

The Ohio State University is committed to building and maintaining a community to reflect diversity and to improve opportunities for all. All Buckeyes have the right to be free from harassment, discrimination, and sexual misconduct. Ohio State does not discriminate on the basis of age, ancestry, color, disability, ethnicity, gender, gender identity or expression, genetic information, HIV/ AIDS status, military status, national origin, pregnancy (childbirth, false pregnancy, termination of pregnancy, or recovery therefrom), race, religion, sex, sexual orientation, or protected veteran status, or any other bases under the law, in its activities, academic programs, admission, and employment. Members of the university community also have the right to be free from all forms of sexual



misconduct: sexual harassment, sexual assault, relationship violence, stalking, and sexual exploitation.

To report harassment, discrimination, sexual misconduct, or retaliation and/or seek confidential and non-confidential resources and supportive measures, contact the Office of Institutional Equity:

1. Online reporting form at equity.osu.edu,
2. Call 614-247-5838 or TTY 614-688-8605,
3. Or email equity@osu.edu

The university is committed to stopping sexual misconduct, preventing its recurrence, eliminating any hostile environment, and remedying its discriminatory effects. All university employees have reporting responsibilities to the Office of Institutional Equity to ensure the university can take appropriate action:

- All university employees, except those exempted by legal privilege of confidentiality or expressly identified as a confidential reporter, have an obligation to report incidents of sexual assault immediately.
- The following employees have an obligation to report all other forms of sexual misconduct as soon as practicable but at most within five workdays of becoming aware of such information:
 1. Any human resource professional (HRP); 2. Anyone who supervises faculty, staff, students, or volunteers; 3. Chair/director; and 4. Faculty member.

Title IX makes it clear that violence and harassment based on sex and gender are Civil Rights offenses subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories (e.g., race). If you or someone you know has been sexually harassed or assaulted, you may find the appropriate resources at <http://titleix.osu.edu> or by contacting the Ohio State Title IX Coordinator, Melissa Mayhan, at titleix@osu.edu or 614-247-5838

Mental Health

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student's ability to participate in daily activities. The Ohio State University's Student Life Counseling and Consultation Service (CCS) is here to support you. If you find yourself feeling isolated, anxious or overwhelmed, [on-demand mental health resources](http://go.osu.edu/ccsdemand) (go.osu.edu/ccsdemand) are available. You can reach an on-call counselor when CCS is closed at [614- 292-5766](tel:6142925766). 24-hour emergency help is available through the [National Suicide Prevention Lifeline website](http://suicidepreventionlifeline.org) (suicidepreventionlifeline.org) or by calling [1-800-273-8255\(TALK\)](tel:18002738255). [The Ohio State Wellness app](http://go.osu.edu/wellnessapp) (go.osu.edu/wellnessapp) is also a great resource.

Accommodations for Accessibility:

Health and COVID Related Accommodation Process

The university strives to maintain a healthy and accessible environment to support student learning in and out of the classroom. If you anticipate or experience academic barriers based on your disability (including mental health, chronic, or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I may request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion.



If you are isolating while waiting for a COVID-19 test result, please let me know immediately. Those testing positive for COVID-19 should refer to the [Safe and Healthy Buckeyes site](#) for resources. Beyond five days of the required COVID-19 isolation period, I may rely on Student Life Disability Services to establish further reasonable accommodations. You can connect with them at slds@osu.edu; 614-292-3307; or slds.osu.edu.

SLDS Requesting Accommodations

If you would like to request academic accommodations based on the impact of a disability qualified under the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, contact your instructor privately as soon as possible to discuss your specific needs. The discussions are confidential.

To establish reasonable accommodations, I request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. Students registered with Student Life Disability Services should work directly with their [Assigned Access Specialist](#) to modify their accommodations or make additional COVID-based accommodation requests.

Please visit <http://ods.osu.edu> for more information.

SLDS contact information: slds@osu.edu; 614-292-3307; 098 Baker Hall, 113 W. 12th Avenue.

Assessment Timetable:

The following table shows the due dates for all the problem sets in this class. The problem sets will be posted on Carmen no later than 5:00 pm on the day indicated below in Table 1 and will be due on the day given in the Table 1. **Solutions will be posted on CARMEN, and no late problem sets will be accepted.** You can only work in a group up to **four people** and submit one copy per group via Carmen. **Also, please remember that late assignments will not be accepted.**

Table 1: Assessment Timetable

<i>Problem Set</i>	<i>Date Issued (Posted on Carmen)</i>	<i>Due Date (By midnight, ET)</i>
Problem Set 1	January 29 th , Thursday	February 5 th , Thursday
Problem Set 2	February 12 th , Thursday	February 19 th , Thursday

Midterm Examination I

March 2nd, Monday– In class, during class time.

Exam will cover **Chapters #1, 2, 3, and 5.**

BuckID is required. Remember to have your laptop/tablet and calculator.

Formula sheet will be provided. You will have 1 hour 20 minutes.



Problem Set 3	March 26 th , Thursday	April 2 nd , Thursday
Problem Set 4	April 9 th , Thursday	April 16 th , Thursday
Optional Problem Set 5	April 20 th , Monday	April 27 th , Monday
Midterm Examination II		
April 22nd, Wednesday-In class, during class time		
Exam will cover Chapters # 4, 9,10, and 12		
BuckID is required. Remember to have your laptop/tablet and calculator.		
Formula sheet will be provided. You will have 1 hour 20 minutes.		
Cumulative Common Final Examination: Chapters 1, 2, 3, 4, 5, 9,10, and 12		
April 29th, Wednesday at Dreese Lab 113 from 8:00 PM to 9:45 PM (All 4 sections)		

Tentative Course Schedule

The following describes the tentative course schedule. The topics covered on each proposed day may change as the semester progresses, but the general order will not vary. To do well, you **must keep up with the reading and stay focused throughout the semester. It is easy to get behind** in the study of derivatives. Therefore, students are REQUIRED to read the appropriate chapters before class. This will help your understanding of the concepts as they are discussed.

It is also students' responsibility to check and follow weekly Carmen Modules as well as Carmen Announcements every week. If you have any questions, please feel free to reach out to us right away.

The following outline is the order of study (We reserve the right to change this outline when necessary).

Table 2: Tentative Course Schedule

<i>Class Date</i>	<i>Topics, Assignments, and Deadlines</i>	<i>Reading</i>
Week 1 Jan 12 th & Jan 14 th	Chapter 1: Introduction to Derivatives Assignment for this week: 1. Read the syllabus 2. Read Chapter 1 from the textbook 3. Suggested End of Chapter Questions: 1.3, 1.7, and 1.9	Syllabus & McDonald Ch.1



Week 2 Jan 19 th & Jan 21 th No-class on Jan 19th	<p>Cont'd Chapter 1: Introduction to Derivatives & Chapter 2: Forwards and Options</p> <p>Assignment for this week:</p> <ol style="list-style-type: none">1. Read Chapter 22. Suggested End of Chapter Questions: 2.5, 2.7, 2.9, 2.12, and 2.14	McDonald Ch.1 and 2
Week 3 Jan 26 th & Jan 28 th	<p>Cont'd Chapter 2: Forwards and Options & Chapter 3: Insurance, Collars, and Other Strategies</p> <p>Assignment for this week:</p> <ol style="list-style-type: none">1. Read Chapter 32. Suggested End of Chapter Questions 3.1, 3.4, 3.8, 3.11, 3.14, 3.15, 3.16, 3.17, and 3.18	McDonald Ch.2 and 3
Week 4 Feb 2 nd & Feb 4 th	<p>Cont'd Chapter 3: Insurance, Collars, and Other Strategies</p> <p>Assignment for this week:</p> <ol style="list-style-type: none">1. <u>Problem Set #1 is due on February 5th, Thursday via Carmen by midnight.</u>	McDonald Ch.3
Week 5 Feb 9 th & Feb 11 th	<p>Cont'd Chapter 3: Insurance, Collars, and Other Strategies & Chapter 5: Financial Forwards and Futures</p> <ol style="list-style-type: none">1. Read Chapter 52. Suggested End of Chapter Questions 5.3, 5.4, 5.8, 5.10, 5.13, and 5.19	McDonald Ch.5
Week 6 Feb 16 th & Feb 18 th	<p>Cont'd Chapter 5: Financial Forwards and Futures</p> <p>Assignment for this week:</p> <ol style="list-style-type: none">1. <u>Problem Set #2 is due on February 19th, Thursday via Carmen by midnight.</u>	McDonald Ch.5
Week 7 Feb 23 rd & Feb 25 th	<p>Cont'd Chapter 5: Financial Forwards and Futures</p> <p>Review for Midterm Examination</p>	McDonald Ch.5



Class Date	Topics, Assignments, and Deadlines	Reading
MIDTERM EXAMINATION I March 2nd, Monday – In class, during class time. Exam will cover McDonald Chapters # 1, 2, 3, and 5. Buck ID is required. Remember to have your laptop/tablet and financial calculator. Formula sheet will be provided. You will have 1 hour 20 minutes to complete the exam.		
Week 8 Mar 4 th , Wednesday	Chapter 4: Hedging with Options and Futures/Forward Contracts Assignment for this week: <ol style="list-style-type: none">1. Read Chapter 4 from our textbook2. In-Class Work: Complete the first worksheet, which has been posted on Carmen.	McDonald Ch.4 and Ch.9
Week 9 Mar 9 th & Mar 11 th	Chapter 4: Cont'd Hedging In-Class Work: Complete the first worksheet, which has been posted on Carmen Chapter 9: Parity and Other Option Relationships Assignment for this week: <ol style="list-style-type: none">1. Read Chapter 92. Suggested End of Chapter Questions: 9.1, 9.3, 9.4, 9.6, 9.7a, 9.7b, 9.9, 9.10, 9.11, and 9.15	McDonald Ch. 4 and Ch.9
Week 10 Mar 16 th & Mar 18 th	SPRING BREAK- NO CLASSES	
Week 11 Mar 23 rd & Mar 25 th	Cont'd Chapter 9: Parity and Other Option Relationships Chapter 10: Binomial Option Pricing: Basic Concepts Assignment for this week: <ol style="list-style-type: none">1. Read Chapter 10 <p>Suggested End of Chapter Questions: 10.6, 10.10, 10.12, 10.16, 10.19, 10.21</p> <ol style="list-style-type: none">2. Sample Problems for Chapter 10	McDonald Ch. 10
Week 12 Mar 30 th & April 1 st	Cont'd Chapter 10: Binomial Option Pricing Chapter 12: The Black-Scholes Formula Assignment for this week: <ol style="list-style-type: none">1. Read Chapter 122. Download slides for Chapter 123. Read Lecture Notes on Black-Scholes Option Pricing Model4. Problem Set #3 is due on April 2nd, Thursday via Carmen by midnight.	McDonald Ch.10 and 12



Class Date	Topics, Assignments, and Deadlines	Reading
Week 13 April 6 th & April 8 th	Cont'd Chapter 12: The Black-Scholes Formula and Chapter 12: Option Greeks Assignment for this week: <ol style="list-style-type: none"> 1. Read lecture note on Option Greeks. 2. Download slides from Carmen. 3. Sample Problems on The Black-Scholes Formula 4. Suggested End of Chapter Questions: 12.3, 12.5, 12.9, 12.14, and 12.20 	McDonald Ch.12
Week 14 April 13 th & April 15 th	Con't Chapter 12: Option Greeks Assignment for this week: <ol style="list-style-type: none"> 1. Sample Problems on Option Greeks. 2. <u>Problem Set #4 is due April 16th, Thursday via Carmen by midnight</u> 	McDonald Ch.12
Week 15 April 20 th & April 22 nd	<ol style="list-style-type: none"> 1. <u>Review for Midterm Exam II</u> 2. <u>Midterm Examination II in class on April 22nd</u> 	McDonald Ch.12
<p style="text-align: center;">MIDTERM EXAMINATION II</p> <p style="text-align: center;">April 22nd, Wednesday – In class, during class time.</p> <p style="text-align: center;">Exam will cover McDonald Chapters # 4,9,10, and 12</p> <p>Buck ID is required. Remember to have your laptop/tablet and financial calculator.</p> <p>Formula sheet will be provided. You will have 1 hour 20 minutes to complete the exam.</p>		
April 27 th (Last Day of Class)	<ol style="list-style-type: none"> 1. Review for Final Examination 2. <u>Optional Problem Set #5 is due on April 27th, Monday via Carmen by midnight</u> 	
<p style="text-align: center;">COMMON CUMULATIVE FINAL EXAMINATION</p> <p>Final Exam will cover McDonald Chapters # 1,2,3,4,5,9, 10, and 12</p> <p>Buck ID is required. Remember to have your financial calculator. Formula sheet will be provided.</p> <p style="text-align: center;">April 29th, Wednesday at Dreese Lab 113 from 8:00 PM to 9:45 PM (All 4 sections)</p>		

Good Luck!