



Philadelphia University
Faculty of Administrative and Financial Sciences
Department of Banking and Financial Sciences
Academic Year 2017-2018

Course Syllabus

Course Title: Financial Derivatives

Course Code: 0320442

Course Level: Third Year

Course Prerequisite(s) and/or Co requisite(s): Financial Management (0250105 , 0320423)

Credit Hours: 3

Lecture Time: ...

		<u>Academic Staff</u>		
		<u>Specifics</u>		
Name	Rank	Office number and location	Office hours	E-mail address
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Course Module Description:

The purpose of this course is to provide the student with the necessary skills to value and to employ options, futures, and related financial contracts. In order to provide a useful. The topics that will be covered include the valuation of futures contracts on stocks indexes on commodities and treasury instruments; the valuation of options; empirical evidence; strategies with respect to these assets; dynamic asset allocation strategies, of which portfolio insurance is an example swaps; and the use (and misuse) of derivatives in the context of corporate application.

Course Module Objectives:

- 1- Construct derivatives theory from abstract theoretical concepts
- 2- Adapt derivatives theory to market practice
- 3- .Evaluate the financial economic implications of financial engineering methods
- 4- Develop various problem solving approaches in derivative security pricing and risk management.

Course/ module components

- **Books (title , author (s), publisher, year of publication)**

Fayez Saleem Haddad. (2014). Corporate Finance

- **Support material (s) (vcs, acs, etc).**
- **Study guide (s) (if applicable)**
- **Homework and laboratory guide (s) if (applicable).**

Teaching methods:

Lectures, discussion groups, tutorials, problem solving, debates, etc.

Learning outcomes:

- Knowledge and understanding
 - 1- To understand the theoretical framework of the subject of the course, and to be able to use the scientific tools and techniques studied by the student in the treatment and problem solving.**
 - 2- Enables students to apply all aspects studied by the course from the field (applied) field of financial management.**
- Cognitive skills (thinking and analysis).
 - 1- Through self-learning, research / scientific articles in addition to visiting the library and the use of the Internet for scientific research.**
- Communication skills (personal and academic).
 - 1- The interaction of students with the teacher of the material in the lecture and via e-mail, where there is a website of the department on the Internet contains the scientific material and the schedule of material guidance and examination dates, and the graduate is available to communicate with the professor of the article.**
- Practical and subject specific skills (Transferable Skills).
 - 1- understanding the work of corporations and their relationship with the their environment.**
 - 2- To have an idea about techniques of forecasting and planning methods.**

Assessment instruments

- Short Reports and/ or Presentations, and/ or short Research Projects
- Quizzes
- Homework
- Final Exam: 40 marks

<u>Allocation of Marks</u>	
Assessment Instruments	Mark
First Exam	20
Second Exam	20
Final Exam	40
Reports, Essays, Quizzes, Homework and Presentations	20
Total	100

Documentation and academic honesty

- Documentation style (with illustrative examples)
- Protection by copyright
- Avoiding plagiarism.

Course/Module Academic Calendar

Week	Basic and support material to be covered	Homework/reports and their due dates
First	What is the financial derivatives and its importance role. Some important concepts in financial markets and derivatives markets Linking between spot markets derivatives Markets	
Second	Option markets and the development of this markets.	
Third	Option pricing principles, and introduction to Call option pricing principles	
Forth	Call option pricing principles	
Fifth	Put option pricing principles	
Sixth First exam	Option pricing models The One-Period Binomial Model	
Seventh	The Two-Period Binomial Model Black- a Scholes model	
Eighth	Option trading strategy	
Ninth	Continuing Option trading strategy	
Tenth	Advanced Option trading strategy	
Eleventh	Forwards and futures markets	
Twelfth Second Exam	The principles of pricing futures and forwards contracts	
Thirteenth	Hedging strategies for futures contracts	
Fourteenth	Foreign exchange options	
Fifteenth	Review	
Sixteenth Final Examination	Students' Presentations and Assignments	

Expected workload:

On average students need to spend 2 hours of study and preparation for each 50-minute lecture/tutorial.

Attendance policy:

Absence from lectures and/or tutorials shall not exceed 15%. Students who exceed the 15% limit without a medical or emergency excuse acceptable to and approved by the Dean of the relevant college/faculty shall not be allowed to take the final examination and shall receive

a mark of zero for the course. If the excuse is approved by the Dean, the student shall be considered to have withdrawn from the course.

Module references

Books

- Don M. Chance & Robert Brooks, An Introduction To Derivatives And Risk
.(Management (10th Edition), Southwestern Cengage Learning (2014
Hussein abalkadr, analysis and evaluation of the projects,1996

Journals

- Journal of Multinational Financial Management

Websites

Financial management www.Google.com

Financial Management www.Amazon.com