

FINA 4210.001
Fall, 2020
Online Section

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Office hours by appointment,
Via Zoom. (No office hours
during finals week).

Course Title: Introduction to Derivatives.
Required Text: An Introduction to Derivatives and Risk Management by Don Chase and Robert Brooks, 9th edition.

Access to Class

You can access the course material in Canvas at <https://unt.instructure.com/login/canvas>. After you login in using your EUID and password, click on FINA 4210 from the list of courses. If you run into technical problems while using Canvas then please call 940 565 2324 or email clearhelp@unt.edu

Online Course Structure

A new study unit will be made available each Thursday. This will comprise video lectures, PDF (Adobe Acrobat) notes and PDF solutions to homework problems. You will also be referred to the relevant pages in the text. On the following Sunday at 8 A.M. a discussion forum will be opened for posting questions and comments. I will participate in discussion forums to provide guidance and to answer specific questions that you ask me. The discussion forum will close at noon on the following Saturday.

All materials are grouped into modules on Canvas.

Exams will be posted on Canvas. All exams are open book /open notes. **Time limits on exams will be strictly enforced.**

The open and close times for discussion forums will be strictly observed but the material in all modules will be posted before the start date and will be there until the end of the course. The time intervals for modules are suggestions. These are still important because staying within the interval will let you participate in, and gain from, the discussions.

For communications not directly related to discussion topics, you may either send me messages through Canvas or send email to mazhar.siddiqi@unt.edu.

Eagle Connect Account:

All students should activate and regularly check their EagleConnect (e-mail) account. You may obtain information about Eagle Connect at <https://eagleconnect.unt.edu/>.

Homework:

Homework consists of problems from the text and elsewhere. I do not grade homework. However your success on the exams depends on your ability to do homework problems. I go over most of the homework problems in class.

Exams:

There are three exams. The first exam is worth 35% of your grade, the second exam is worth 35% of your grade and the final exam is worth 30% of your grade. The final exam is not comprehensive. Please make your travel arrangements carefully as exams are allowed on only the scheduled exam dates and there are no makeup exams.

Required Equipment for Exams

A web camera or a laptop with integrated camera is required for all remote exams. It is your responsibility to obtain a properly functioning camera for remote exams. Your test score will be invalid without a functioning camera. All remote exams will be administered through Canvas using Respondus Lockdown Browser with Camera option. Respondus Lockdown browser can be downloaded through your Canvas account.

Grades

A, 90 - 100; B, 80 - 89; C, 70 - 79; D, 60 - 69; F, 0 - 59.

Course grades will be available on Canvas.

Notice for students with disabilities

The University of North Texas is on record as being committed to both the spirit and letter of federal equal opportunity legislation; reference Public Law 92-112 – The Rehabilitation Act of 1973 as amended. With the passage of new federal legislation entitled Americans with Disabilities Act (ADA), pursuant to section 504 of the Rehabilitation Act, there is renewed focus on providing this population with the same opportunities enjoyed by all citizens.

As a faculty member, I am required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty of their need for accommodation and in providing authorized documentation through designated administrative channels. Information regarding specific diagnostic criteria and policies for obtaining academic accommodations can be found at <http://www.unt.edu/oda/apply/index.html>. Also, you may visit the Office of Disability Accommodation in the University Union (room 321) or call them at (940) 565-4323. If you need an accommodation, please contact me as soon as possible but at the latest by the second week of class.

Academic dishonesty

Academic dishonesty is defined in the UNT Policy on Student Standards for Academic Integrity. Any suspected case of Academic Dishonesty will be handled in accordance with University policy and procedures. Possible academic penalties include a grade of "F" in the course. You will find the policy and procedures at <http://vpaa.unt.edu/academic-integrity.htm>

Student Perceptions of Teaching (SPOT)

The Student Perceptions of Teaching (SPOT) is a requirement for all organized classes at UNT. This short survey will be made available to you at the end of the semester, providing you a chance to comment on how this class is taught. Your comments are an essential input in the process of continuous teaching improvement. So, please participate. The administration of the SPOT will begin a few weeks before the end of the semester and remain open for about two weeks.

Tentative Course Outline:

This is a tentative outline and changes may be made during the semester.

<u>Time Interval</u>	<u>Module</u>	<u>Topic</u>	<u>Assignments</u>
Thu, Aug 27 to Sat, Aug 29.	Notes-ch 3	Option Pricing Principles.	Read ch 3 in text, pp 61-92. Study ch 3 notes. Watch lecture 1.
Mon, Mar 31 to Wed, Apr 2.	HW-ch 3	Review of chapter 3 homework.	Attempt ch 3 homework. Study ch 3 solutions. Watch lecture 2.
Sun, Aug 30. Sat, Sep 5.	Discussion Forum on Notes-ch 3 and HW-ch 3 opens at 8 A.M. Discussion Forum on Notes-ch 3 and HW-ch 3 closes at Noon.		
Thu, Sep 3 to Sat, Sep 5.	Notes-ch 4	Binomial Option Pricing Model.	Read ch 4 in text, pp 99-120 (top half). Study ch 4 notes. Watch lecture 3.
Mon, Sep 7 to Wed, Sep 9.	HW-ch 4	Review of chapter 4 homework.	Attempt ch 4 homework. Study ch 4 solutions. Watch lecture 4.
Sun, Sep 6. Sat, Sep 12.	Discussion Forum on Notes-ch 4 and HW-ch 4 opens at 8 A.M. Discussion Forum on Notes-ch 4 and HW-ch 4 closes at Noon.		
Thu, Sep 10 to Sat, Sep 12.	Notes-ch 5	Black-Scholes Option Pricing Model.	Read ch 5 in text, pp 133-145, 149-169. Study ch 5 notes. Watch lecture 5.
Mon, Sep 14 to Wed, Sep 16.	HW-ch 5	Review of chapter 5 homework.	Attempt ch 3 homework. Study ch 3 solutions. Watch lecture 6.
Sun, Sep 13. Sat, Sep 19.	Discussion Forum on Notes-ch 5 and HW-ch 5 opens at 8 A.M. Discussion Forum on Notes-ch 5 and HW-ch 5 closes at Noon.		
Wed, Sep 23	EXAM 1	Start 9 A.M.	End 12 noon.

<u>Time Interval</u>	<u>Module</u>	<u>Topic</u>	<u>Assignments</u>
Thu, Oct 1 to Sat, Oct 3.	Notes-ch 6	Basic Option Strategies.	Read ch 6 in text, pp 189-218. Study ch 6 notes. Watch lecture 7.
Mon, Oct 5 to Wed, Oct 7.	HW-ch 6	Review of chapter 6 homework.	Attempt ch 6 homework. Study ch 6 solutions. Watch lecture 8.
Sun, Oct 4. Sat, Oct 10.	Discussion Forum on Notes-ch 3 and HW-ch 3 opens at 8 A.M. Discussion Forum on Notes-ch 3 and HW-ch 3 closes at Noon.		
Thu, Oct 1 to Sat, Oct 3.	Notes-ch 7	Advanced Option Strategies.	Read ch 7 in text, pp 225-252. Study ch 7 notes. Watch lecture 9.
Mon, Oct 12 to Wed, Oct 14.	HW-ch 7	Review of chapter 7 homework.	Attempt ch 7 homework. Study ch 7 solutions. Watch lecture 10.
Sun, Oct 11. Sat, Oct 17.	Discussion Forum on Notes-ch 7 and HW-ch 7 opens at 8 A.M. Discussion Forum on Notes-ch 7 and HW-ch 7 closes at Noon.		
Thu, Oct 15 to Sat, Oct 17.	Notes-ch 8	Structure of Forward and Futures Markets.	Read ch 8 in text, pp 258-288. Study ch 8 notes. Watch lecture 11.
Mon, Oct 19 to Wed, Oct 21.	HW-ch 8	Review of chapter 8 homework.	Attempt ch 8 homework. Study ch 8 solutions. Watch lecture 12.
Sun, Oct 18. Sat, Oct 24.	Discussion Forum on Notes-ch 8 and HW-ch 8 opens at 8 A.M. Discussion Forum on Notes-ch 8 and HW-ch 8 closes at Noon.		
Wed, Oct 28	EXAM 2	Start 9 A.M.	End 12 noon.

<u>Time Interval</u>	<u>Module</u>	<u>Topic</u>	<u>Assignments</u>
Thu, Nov 5 to Sat, Nov 7.	Notes-ch 9	Pricing Forward and Future Contracts	Read ch 9 in text, pp 293-304, 306-319. Study ch 9 notes. Watch Lecture 13.
Mon, Nov 9 to Wed, Nov 11.	HW-ch 9	Review of chapter 9 homework	Attempt Ch 9 homework. Study ch 9 solutions. Watch Lecture 14.
Sun, Nov 8. Sat, Nov 14.	Discussion Forum on Notes-ch 9 and HW-ch 9 opens at 8 A.M. Discussion Forum on Notes-ch 9 and HW-ch 9 closes at Noon.		
Thu, Nov 12 to Sat, Nov 14.	Notes-ch 10	Futures Arbitrage Strategies	Read Ch 10 in text, pp 333-355. Study Ch 10 notes. Watch Lecture 15.
Mon, Nov 16 to Wed, Nov 18.	HW-ch 10	Review of chapter 10 Homework.	Attempt Ch 10 homework. Study Ch 10 solutions Watch Lecture 16.
Sun, Nov 15. Sat, Nov 21.	Discussion Forum on Notes-ch 10 and HW-ch 10 opens at 8 A.M. Discussion Forum on Notes-ch 10 and HW-ch 10 closes at Noon.		
Wed, Dec 9	FINAL EXAM	Start 9 A.M. End 12 noon.	