Graduate School of Social Sciences / Banking and Finance M.S

2024 - 2025 Academic Year

DERIVATIVE MARKETS

Syllabus

Course Description					
Name	**Code**	**Semester**	**T+A Hour**	**Credit**	**ECTS**
DERIVATIVE MARKETS	FİBY1262510	Spring Semester	3+0	3	6

Prerequisites Courses	
Recommended Elective Courses	
Language of Instruction	Turkish
Course Level	Second Cycle (Master's Degree)
Course Type	Elective
Course Coordinator	Prof.Dr. Hasan DİNÇER
Name of Lecturer(s)	Prof.Dr. Hasan DİNÇER
Assistant(s)	
Aim	To teach derivatives that are financial risk protection elements.
Course Content	This course contains; Futures Markets -Spot Markets,Risk Management and Futures Markets,Development of Futures Markets in Risk Management,Futures Market Functions,Basic Strategies in Derivatives Market,Forward Contracts,Futures Contracts,Option Market: Basic Concepts-Option Pricing,Option Strategies,Advanced Option Strategies I,Advanced Option Strategies II,Swap Agreements and Methods,The Development and Functioning of Futures Market in Turkey,The Current Situation of the Future Markets in the World.

Course Learning Outcomes	**Teaching Methods**	**Assessment Methods**
1. Evaluates derivate markets.	16, 9	A, E
1.1. Explains the basic function of futures markets.	16, 9	A, E
1.2. Explains the differences between futures markets and spot markets.	16, 9	A, E
1.3. Explains over the counter and organize markets of the derivatives	16, 9	A, E
2. Analyses option strategies.	16, 9	A, E
2.1. explains option strategies.	16, 9	A, E
2.2. Interprets on which strategy to use.	16, 9	A, E
3. İnterprets financial risk and hedging transactions in futures markets.	16, 9	A, E
3.1. Explains the elements of futures contracts.	16, 9	A, E
3.2. Interprets hedging transactions with futures contracts.	16, 9	A, E
3.3. Explains the role of futures markets in protecting financial risks.	16, 9	A, E
4. Compares the derivatives used in risk management.	16, 9	A, E
4.1. Explains forwards contracts.	16, 9	A, E
4.2. Explains Futures contracts.	16, 9	A, E
4.3. Explains Options contracts.	16, 9	A, E
4.4. Explains swaps contracts.	16, 9	A, E
5. Evaluates how derivative products are used and how they are used.	16, 9	A, E
5.1. Explains the purpose of use of derivative products.	16, 9	A, E
5.2. Explains the functioning of derivative products.	16, 9	A, E
6. Evaluates pricing models.	16, 9	A, E
6.1. Explains pricing models of derivative products.	16, 9	A, E
6.2. Calculates prices with the pricing models of derivative products.	16, 9	A, E

Teaching Methods	16: Question - Answer Technique, 9: Lecture Method
Assessment Methods	A: Traditional Written Exam, E: Homework

Lecture Schedule

Sequence	**Topics**	**Preliminary Preparation**
1	Futures Markets -Spot Markets	Examination of academic studies on the subject.
2	Risk Management and Futures Markets	Examination of academic studies on the subject.
3	Development of Futures Markets in Risk Management	Examination of academic studies on the subject.
4	Futures Market Functions	Examination of academic studies on the subject.
5	Basic Strategies in Derivatives Market	Examination of academic studies on the subject.
6	Forward Contracts	Examination of academic studies on the subject.
7	Futures Contracts	Examination of academic studies on the subject.
8	Option Market: Basic Concepts-Option Pricing	Examination of academic studies on the subject.
9	Option Strategies	Examination of academic studies on the subject.
10	Advanced Option Strategies I	Examination of academic studies on the subject.
11	Advanced Option Strategies II	Examination of academic studies on the subject.
12	Swap Agreements and Methods	Examination of academic studies on the subject.
13	The Development and Functioning of Futures Market in Turkey	Examination of academic studies on the subject.
14	The Current Situation of the Future Markets in the World	Examination of academic studies on the subject.

Evaluation Methods	**Weight(%)**
Midterm Exam	50
General Exam	50

Resources

Yalçın Karatepe, Türev Piyasalar, Siyasal Bilgiler Fakültesi Yayını, 2000. Doç.Dr. Nurgül Chambers, Türev Piyasalar, İstanbul, 1998. Robert W. Kolb, Futures, Options and Swaps, Fouth Edition, Blackwell Publishing, 2003.