MBA 6705: Derivatives and Risk Management

A. COURSE DESCRIPTION

Credits: 3
Lecture Hours/Week: 0
Lab Hours/Week: 0
OJT Hours/Week: *
Prerequisites: None
Corequisites: None
MnTC Goals: None

This course examines role of financial derivatives and their characteristics. The focus is on how corporations manage risks using financial derivatives. Topics include pricing models, trading strategies, and the hedging of financial risks. Along with MBA 6700, this is one of the pair of courses that is required for the Finance Concentration in the MBA.

B. COURSE EFFECTIVE DATES: 08/25/2014 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. Role of Financial Derivatives and Their Characteristics
2. Corporation Risk Management Using Financial Derivatives
3. Pricing Models, Trading Strategies and Hedging Risk

D. LEARNING OUTCOMES (General)

1. Evaluate and analyze the different types of derivatives and the role of derivative markets
2. Evaluate and analyze the role and mechanics of options markets, the principles of options pricing, the role of quantitative models in pricing, and the various strategies in trading options
3. Evaluate and analyze the structure and mechanics of futures markets
4. Apply and implement the principles of pricing futures and options
5. Apply the concepts and techniques of arbitrage, hedging, and swaps
6. Analyze and apply the techniques of financial risk management

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted