



# Course Specification

## (Bachelor)

**Course Title:** FINANCIAL MARKETS DERIVATIVES

**Course Code:** FIN-337

**Program:** BSC. FINANCE

**Department:** DEPARTMENT OF ECONOMICS & FINANCE

**College:** COLLEGE OF BUSINESS ADMINISTRATION

**Institution:** UNIVERSITY OF HA'IL

**Version:** Version Three

**Last Revision Date:** 05, October, 2023



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## A. General information about the course:

### 1. Course Identification

1. Credit hours: ( 03 Hrs.)

#### 2. Course type

A. ☐ University ☐ College ☒ Department ☐ Track ☐ Others  
B. ☐ Required ☒ Elective

3. Level/year at which this course is offered: ( 5<sup>th</sup> / Third Year)

#### 4. Course general Description:

The course deals with the basic knowledge about the derivatives markets functionality with the basic introduction of various derivatives. It introduces the use of derivatives in the financial system and their significance in the economy.

#### 5. Pre-requirements for this course (if any):

FIN-311 & FIN-324

#### 6. Co-requirements for this course (if any):

None

#### 7. Course Main Objective(s):

This course covers options, forward contracts, futures contracts, and swaps. By the end of this course students will have a good knowledge about the financial derivatives instruments, derivatives markets and the role of derivatives in financial markets.

### 2. Teaching mode (mark all that apply)

No	Mode of Instruction	Contact Hours	Percentage
1	Traditional classroom	45	100%
2	E-learning	0	0%
3	Hybrid <ul style="list-style-type: none"> <li>Traditional classroom</li> <li>E-learning</li> </ul>	0	0%
4	Distance learning	0	0%



### 3. Contact Hours (based on the academic semester)

No	Activity	Contact Hours
1.	Lectures	45
2.	Laboratory/Studio	0
3.	Field	0
4.	Tutorial	0
5.	Others (specify)	0
Total		45

### B. Course Learning Outcomes (CLOs), Teaching Strategies and Assessment Methods

Code	Course Learning Outcomes	Code of CLOs aligned with program	Teaching Strategies	Assessment Methods
1.0	Knowledge and understanding			
1.1	LIST the different types of derivatives and their properties	K3	Lecture Brainstorming	<b>Direct:</b> Mid & final exam Quiz Discussion <b>Indirect:</b> Course evaluation survey
1.2	DESCRIBE the mechanism of derivatives trading on derivative markets.	K3	Lecture Discussion Peer teaching Cooperative learning	<b>Direct:</b> Midterm exam Final Exam Presentation <b>Indirect:</b> Course evaluation survey
2.0	Skills			
2.1	FORECAST various risks and the fundamentals of derivatives	S2	Lecture Brainstorming	<b>Direct:</b> Mid-term exam Discussion Final Exam <b>Indirect:</b> Course evaluation survey



Code	Course Learning Outcomes	Code of CLOs aligned with program	Teaching Strategies	Assessment Methods
2.2	<i>EVALUATE</i> the various types of derivatives, their applications and role in economy.	<b>S3</b>	Lecture Problem solving Brainstorming	<b>Direct:</b> Homework Final exam <b>Direct:</b> Mid-term exam <b>Indirect:</b> Course evaluation survey
2.3	<i>ANALYZE</i> the financial derivatives specificities and valuation through using calculations and problem solving	<b>S3</b>	Lecture Problem solving	<b>Direct:</b> Homework Final exam Mid-term exam <b>Indirect:</b> Course evaluation survey
2.4	<i>EXPLAIN</i> the various types of derivatives mishaps	<b>S5</b>	Lecture Case study Brainstorming	<b>Direct:</b> Mid-term exam Final Exam Homework <b>Indirect:</b> Course evaluation survey
<b>3</b>	<b>Values</b>			
3.1	Teamwork of students should <i>show</i> a complicity in solving problems related to financial derivatives	<b>V2</b>	Case study / research study	<b>Direct:</b> Group project Research <b>Indirect:</b> Course evaluation survey

### C. Course Content

No	List of Topics	Contact Hours
1.	Chapter 1. Introduction	6
2.	Chapter 2. Mechanics of Futures Markets	6
3.	Chapter 3. Hedging Strategies Using Futures	3
4.	Chapter 4. Determination of forward and future prices	6
5.	Chapter 5. Swaps	6
6.	Chapter 6. Mechanics of Options Markets	6
7.	Chapter 7. Securitization and the Credit Crisis	6
8.	Chapter 8: Binomial Trees in Practice	6



Total

45

## D. Students Assessment Activities

No	Assessment Activities *	Assessment timing (in week no)	Percentage of Total Assessment Score
1.	Quiz 1 & 2	7 <sup>th</sup> & 13 <sup>th</sup>	10%
2.	Mid-term exam	8 <sup>th</sup>	30%
3.	Homework and discussion questions/presentation	3 <sup>rd</sup> , 6 <sup>th</sup> , 10 <sup>th</sup>	10%
4.	Final exam	16 <sup>th</sup>	50%

\*Assessment Activities (i.e., Written test, oral test, oral presentation, group project, essay, etc.).

## E. Learning Resources and Facilities

### 1. References and Learning Resources

Essential References	Hull John "Fundamentals of Futures and Options Markets", 11 th Edition , 2021, Pearson.
Supportive References	Gottesman, A. (2016). Derivatives essentials: An introduction to forwards, futures, options and swaps. John Wiley & Sons.
Electronic Materials	<a href="http://libsys.uoh.edu.sa:2048/login">http://libsys.uoh.edu.sa:2048/login</a> <a href="https://www.saudiexchange.sa/wps/portal/tadawul/knowledge-center/about/derivatives?locale=en">https://www.saudiexchange.sa/wps/portal/tadawul/knowledge-center/about/derivatives?locale=en</a> <a href="https://www.youtube.com/channel/UChsr6yDbez7LYgRIAW_yYrw">https://www.youtube.com/channel/UChsr6yDbez7LYgRIAW_yYrw</a>
Other Learning Materials	Saudi Digital Library, Electronic library , University of Hail

### 2. Required Facilities and equipment

Items	Resources
<b>facilities</b> (Classrooms, laboratories, exhibition rooms, simulation rooms, etc.)	Classroom
<b>Technology equipment</b> (projector, smart board, software)	Projector, smart board
<b>Other equipment</b> (depending on the nature of the specialty)	None

## F. Assessment of Course Quality

Assessment Areas/Issues	Assessor	Assessment Methods
Effectiveness of teaching	Chairperson & Peers (PAAAP) Class Observation (using class	Direct Indirect



Assessment Areas/Issues	Assessor	Assessment Methods
	observation form) Students Course Evaluation Survey (CES)	
Effectiveness of Students assessment	Reviewer (faculty from the same department) Reviewing the exam paper Co-signing the grades. Unified Mid-term/Final Exams	Direct
Quality of learning resources	Instructor (Course Report). Students Course Evaluation Survey (CES)	Direct Indirect
The extent to which CLOs have been achieved	Instructor Direct Method (CLOs Assessment Form for all assessment. CLOs assessment survey by students	Direct Indirect
Other		

**Assessors** (Students, Faculty, Program Leaders, Peer Reviewer, Others (specify))

**Assessment Methods** (Direct, Indirect)

### G. Specification Approval

<b>COUNCIL /COMMITTEE</b>	<b>DEPARTMENT COUNCIL</b>
<b>REFERENCE NO.</b>	<b>NO. 3</b>
<b>DATE</b>	<b>12/11/2023</b>