

**2604481 Financial Derivatives**

**3(3-0-6)**

**FIN DEV**

Prerequisite: 2604332

Types of financial derivatives: futures contracts and options contracts; roles and functions of derivative markets; trading and mechanisms of futures markets; pricing models for futures contracts; applications of futures contracts in risk management; features of option-based derivatives; trading strategies for option contracts; option pricing models; Binomial model and Black-Scholes model; applications of options in risk management