Module	**Futures and Options**		
Area of study/Profile	Quantitative methods, BWL		
Recommended semester	Second year	Mandatory/elective	Elective
Module coordinator	Prof.Dr. Lütkebohmert-Holtz,	Work load	120 hours
ECTS (credit points)	6	Contact hours (SWS)	2 (lecture/course) 2 (tutorial)
Course type	Lecture + Tutorial	Language	English
Requirements	Principles of Finance		
Learning/ qualification target	Introduction to basic principles of risk-neutral valuation of futures, standard and exotic options as well as interest rate derivatives.		
Content	In this course we introduce financial models in discrete time and explain the basic principles of risk-neutral valuation of derivatives. Besides futures and standard put and call options of European and American type we discuss interest-rate sensitive instruments such as swaps as well as credit derivatives such as credit default swaps.		
Examination type	120 min. written examination at the end of the semester		
Literature	Chance, D.M., Brooks, R.: *An Introduction to Derivatives and Risk Management*, 8th ed., South-Western, 2009. Hull, J.C.: *Options, Futures, and other Derivatives*, 7th ed., Prentice Hall, 2009. Bielecki, T.R.; Rutkowski, M., Credit Risk: Modeling, Valuation and Hedging, Springer, 2002. Strong, R.A.: *Derivatives. An Introduction*, 2nd ed., South-Western, 2004.		
Additional information & links	Course outlines, dates, and further information can be found on the webpage of the department: http://www.finance.uni-freiburg.de/		