

ECON 174 -- SYLLABUS (FALL 2007)
Foster, UCSD, April 30, 2008

Teaching Staff and Consultation Hours			
Name/Position	Times	Room	Contact Info
Carroll B. Foster (PhD/Instructor)	MWF, 9-9 ⁵⁰ am	ECON 110C	(858) 534-7133 cfoster@ucsd.edu
Ayelen Banegas	_____	SEQ 224	mbanegas@ucsd.edu

Financial Risk Management – Course Information

- Lecture (603542): MWF, 8–8⁵⁰ am, CENTER 105
- Description: How investors and financial managers use derivative securities (options and futures) to hedge against risk factors like fluctuating exchange rates, oil prices, etc.
- Prerequisite: Ec 173A (formerly Ec 175)
- Course webpage: <http://webct.ucsd.edu>

Books and Materials

- John C. Hull, *Fundamentals of Futures and Option Markets*, 6th ed. (2008) [Bookstore]
- Bodie, Kane and Marcus, *Investments*, 6th ed. (2005) [Optional]

Calendar

- Change grade option or drop w/o “W” thru F, 26 OCT; drop w/o “F” thru F, 30 NOV.
- Holidays: M, 12 NOV (Veterans Day); Th-F, 22-23 NOV (Thanksgiving).
- Midterm: Wednesday, 7 NOV, in class.
- Final Exam: Monday, 10 DEC, 8–11 am, CENTER 105 (or _____).

Examinations and Grading

Midterm = 50 points; cumulative final = 150. One week regrade period after papers returned in class. No rescheduled or make-up exams.¹ Cheating = F in course.²

Curve	
Gr	Rank
A±	Top 30%
B±	Hi 35%
C±	Mid 30%
D/F	Low 5%

Course Outline and Reading List				
Topic and Title		Hull 6 th	BKM 6 th	Testing
Top 1	REVIEW: FINANCE & INSURANCE	Ch. 1	§2.5	
Top 2	FUTURES/FORWARD & SWAP MARKETS	Ch. 2-7	Ch. 22	Midterm
Top 3	OPTIONS MARKETS	Ch. 8-12	Ch. 20-21	
Top 4	RISK MEASUREMENT & MANAGEMENT	Ch. 13-23	Ch. 23	Final

¹ Please note that you MUST take the final with the rest of the class on schedule during finals week.

² I give multiple versions of tests. If you have the right answers for some other version, you are busted.