

Syllabus Translation
Finance I

Master's level
State University – Higher School of Economics

Derivative securities and real options

Authors:

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№	Topics	Hours		Self-Study	Total
		Lectures	Tutorials		
Derivative securities					
1	Markets for derivative securities, classification of contracts	5	1		4
2	Forward contracts	3	1		2
3	The market for futures	6	2	2	2
4	Hedging and speculation using futures	6	2	2	2
5	The market for options	10	4	2	4
6	Evaluation of options (non-model relationships)	10	4	2	4
7	Models of options` evaluation	26	10	4	12
8	Hedging and speculation strategies using options	22	8	2	12
9	Other types of derivatives	20	4	2	12
	Total	108	36	16	54
Real options					
1	Introduction to real options	5	2		3
2	Management of strategic investments under uncertainty	9	4	1	4
3	Assessment of options	6	2	1	3
4	Real options	7	4	1	2
5	Rules for evaluation of real options in connection with corporate investment decisions.	5	2	1	2
6	Usage of assessment methods. Conclusions.	4	2	1	1
7	Four steps in evaluation procedure.	6	2	1	4
8	Calculation of the value of an option.	4	1	1	2
9	Alteration of the value.	4	1	1	2
10	Conclusions.	2			2
	Total	54	20	8	26

Literature

1. Hull D. Futures, options and other derivatives, 2008 (Ch. 1-3,5, 8, 10-13,15-16,21-23).
2. Burenin A. Forwards, futures, options, and exotic and weather derivatives, 2007 (Ch.1-4, 7-11, 15-18).
3. Balabushkin A. Options and futures, 2004 (Ch.1, 2, 4-6, 9-12).

4. Avinash K. Dixit, Robert S. Pindyck, 1994, "Investment under uncertainty", Princeton University Press (Ch.1-3).
5. Tom Copeland, Vladimir Antikarov, 2001, "Real options", TEXERE, New York, London (all chapters)¹.
6. Martha Amram, Nalin Kulatilaka, 1999, "Real Options. Managing strategic investment in an uncertain world", Harvard Business School Press (Ch.1-3, 10).
7. Tom Copeland, Tim Koller, Jack Murrin, 2000, "Valuation", JOHN WILEY & SONS, INC (Ch.4, 6).
8. Aswath Damodaran, 2002, "Investment Valuation", JOHN WILEY & SONS, INC.
9. F. Peter Boer, 2002, "The Real Options Solution", JOHN WILEY & SONS, INC.

Additional literature

1. Galiz L. Financial engineering, 1998 (Ch.10, 11).
2. Pandger X. Financial economics, 2005 (Ch.1, 4-6).
3. Kurochkin S. Payment functions available through the usage of option strategies//Economics and mathematical methods, 2005.

¹ Further: if no particular chapter is written in brackets, then all chapters were used.