

EQUITY DERIVATIVES: A BEGINNER'S MODULE

CURRICULUM

- a) Introduction (15 marks)**
- a. Definition of Derivatives
 - b. Origin of Derivatives
 - c. Derivatives in India
 - d. Two important terms – Spot Market and Index
- b) Definitions of Basic Derivatives (15 marks)**
- a. Forwards
 - b. Futures
 - c. Options
 - d. Terminology of Derivatives
 - e. Moneyness of an Option
- c) Applications of Derivatives (10 marks)**
- a. Participants in the Derivatives Market
 - b. Uses of Derivatives
- d) Trading Futures (20 marks)**
- a. Pay-off of Futures
 - b. A Theoretical Model for Future Pricing
- e) Trading Options (20 marks)**
- a. Option Payout
 - b. Option Strategies
 - c. Determination of Option Prices
- f) Derivatives Trading on the Exchange (20 marks)**
- a. Derivatives Trading on NSE
 - b. Using daily newspapers to track Futures and Options
 - c. Settlement of Derivatives
 - d. Settlement of Futures
 - e. Settlement of Options
 - f. Accounting and Taxation of Derivatives