

KLE Society's
Lingaraj College, Belagavi
(Autonomous)

Department of **BBA : VI Semester**

Currency Derivative
(w.e.f. 2018-19 and onwards)

Teaching hours per week – 04 :	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. Calculate cross rates (compute exchange rate arithmetic).
2. Recognize various derivative products such as forwards, futures, options, swaps.
3. Understand the concept of interest rate parity and its role in pricing of currency futures.
4. Understand the role of hedgers, speculators and arbitrageurs in currency futures markets.
5. Understand various types of orders that can be entered in the trading system.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Introduction to currency markets	8 Hrs
Unit II	Exchange traded currency futures in India	10 Hrs
Unit III	Trading in currency derivatives	8 Hrs
Unit IV	Strategies using currency futures	10 Hrs
Unit V	Exchange traded currency options	10 Hrs
Unit VI	Clearing & settlement in currency futures	8 Hrs

TEXT BOOKS:

1. NISM workbook on currency derivatives

REFERENCE BOOKS:

1. Derivatives: The Wild Beast of Finance - Alfred Steinherr.
2. Derivatives Demystified - Andrew M.
3. Derivatives – A Guide to Alternative Investments - David M