

Banking & Finance: Derivatives – Options, components of the option price and value of the option

Training program SAAM

Title / Topic	Derivatives – Options, components of the option price and value of the option
Target audience	Asset managers
Learning content	The subject of derivatives explains the properties and types of derivatives as well as forward transactions. Basic options transactions are also presented and the factors determining the value of options are discussed.
Learning location / Testing location	Fintelligence Online Lernplattform: https://fintelligence.fintelligence-net.com/
Learning time	<ol style="list-style-type: none">1. Basics (70 min)2. Options (70 min)3. Components of the option price (70 min)4. Value of the option (60 min)5. Learning control (70 min)
Period	2 months
Learning goals	<p><u>Basics</u></p> <p>When you have completed this module, you will be able to</p> <ul style="list-style-type: none">• explain the term derivatives and the features of derivatives• name the types of derivatives• differentiate forward and futures transactions by options, futures and forwards• explain the potential base values of derivatives• identify the various trading possibilities for derivatives• explain the conditions for the client for the sale and purchase of derivatives <p><u>Options</u></p> <p>When you have completed this module, you will</p> <ul style="list-style-type: none">• be able to explain the process of a call option and a put option• be able to explain the difference between a short position and a long

	<p>position with reference to options</p> <ul style="list-style-type: none"> • be able to differentiate the four basic positions that purchaser and sellers of an option can enter into • be able to decide when an option should be exercised and when it should not, • be able to calculate the profits and losses of options • be able to explain the various trading alternatives for a purchaser or seller over the term of an option <p><u>Components of the option price</u></p> <p>After completing this module, you can</p> <ul style="list-style-type: none"> • explain which factors determine the price development of options • determine which factors are the most important for a call or put • explain how changes in these factors effect the option price <p><u>Value of the option</u></p> <p>When you have completed this module, you will be able to</p> <ul style="list-style-type: none"> • explain what the terms fair value and theoretical value of an option mean • explain how to calculate the fair option price using the Black-Scholes formula • calculate the fair price of an option using an Excel table or an option price calculator • explain the put-call parity of an option and implement considerations concerning the value generation of an option
Method	Self-study via interactive e-learning module with discoverable content and videos plus final learning control via online test.
Learning control	Your online self-control test consists of 15 to 20 multiple choice questions. You will pass the test if you reach at least 70% of the maximum score.