

Academic Year/course: 2021/22

27523 - Fixed-Income Securities and Derivates

Syllabus Information

Academic Year: 2021/22

Subject: 27523 - Renta fija y derivados

Faculty / School: 109 - Facultad de Economía y Empresa

Degree: 449 - Degree in Finance and Accounting

ECTS: 6.0

Year: 3

Semester: First semester

Subject Type: Compulsory

Module:

1. General information

2. Learning goals

3. Assessment (1st and 2nd call)

3.1. Assessment tasks (description of tasks, marking system and assessment criteria)

The student should show the achievement of the learning goals through different assignments.

The **first exam call** allows the choice of continuous or global assignment.

1. Continuous assignment

It includes taking two exams and the completion of some homework sets. The exams will take place on the days planned by the Faculty, the first one around November and the second one previous to official exam call. Exams include theory and practice. Exams might consist of multiple choice questions and/or short answer questions and practical problems.

Homework sets might include practical issues and presentation of them during the practical sessions. You should complete homework sets in groups (between 3 and 5 activities). The dates of the presentations will be scheduled at the beginning of the semester. The weights of the different assignments in the final grade are as follows:

1. First exam: 35%
2. Second exam: 40%
3. Homework sets and presentations: 25%

In order to pass the course in a continuous assignment, the student must take both exams and accomplish the homework sets proposed. The grade of each exam must exceed a minimum of 3 out of 10 points, and the weighted grade of the three assignments must be higher than 5 out of 10 points.

In the event that the sanitary conditions prevent the realization of a face-to-face evaluation, a non-face-to-face evaluation will be activated, of which the students will be informed promptly.

1. Global assignment

It includes a final written exam on the dates published by the Faculty. The exam includes theory and practice. Exams might consist of multiple choice questions and/or short answer questions and practical problems. The grade must be higher than 5 out of 10 points.

Students who have overcome continuous assignment, might take the final exam, their final grade will be the higher between the continuous assessment and the final written exam.

The **second exam call** will only follow a global assignment in the terms described above.

In the event that the sanitary conditions prevent the realization of a face-to-face evaluation, a non-face-to-face evaluation will be activated, of which the students will be informed promptly. In a non-face-to-face evaluation, the student might be recorded in any assignment, he or she can exercise his/her rights in the following procedure: https://protecciondatos.unizar.es/sites/protecciondatos.unizar.es/files/users/lopdpd/gdocencia_reducida.pdf.

Plagiarism detection software is used. The detection of plagiarism in any exams or homework sets will receive a grade of 0.

4. Methodology, learning tasks, syllabus and resources

4.1. Methodological overview

The methodology followed in this course is oriented towards the achievement of the learning objectives. A wide range of teaching and learning tasks are implemented, such as lectures, practice sessions, autonomous work, study and assessment tasks.

Students are expected to participate actively in class throughout the semester.

Further information regarding the course will be provided on the first day of class.

4.2. Learning tasks

The course includes the following learning tasks:

- Lectures where the most important concepts will be presented and explained. Debate will be promoted to discuss topical issues concerned with the contents of the session (2 hours/week), encouraging personal and justified opinions.
- Practice sessions. Practical cases solved individually and presentation of different projects in groups (2 hours/week). Practice cases will cover simple application of previously explained concepts and more complex cases which require that the student can face new situations where the comprehension of different ideas is needed.
- Tutorials.
- The learning on-line platform Moodle is provided for communicate information related to the course.
- Assessment tasks and Exams

The teaching delivery methodology is expected to pivot around face-to-face classes. However, if necessary for health reasons, face-to-face classes may be taught online.

4.3. Syllabus

The course will address the following topics:

Part I: Introduction

- Brief description of the financial system and the current financial markets situation
- Fixed-income securities and fixed-income derivatives

Part II: Fixed-income securities

- Financial valuation of debt issues for companies
- Bond features and financial valuation of government bonds and corporate bonds
- Bond price volatility and determinants of fixed-income investment return

Part III: Fixed-income portfolio management

- Measuring interest rate risk and hedge
- Perform active and passive bond portfolio management

Part IV: Fixed-income derivatives

- Future derivative features
- Options: Basic characteristics and valuation
- Managing risk with derivatives strategies

4.4. Course planning and calendar

Further information concerning the timetable, classroom, office hours, assessment dates and other details regarding this course, will be provided on the first day of class or please refer to the Faculty of Economics and Business website (<https://econz.unizar.es/>)