

Course Code	MB18AB10	Course Name	COMMODITY TRADING AND DERIVATIVES	Course Category		L	T	P	C
						2	0	2	3

Pre-requisite Courses	Successfully completed, a minimum test score achieved, or a specified condition satisfied before a student can enroll in this course.	Co-requisite Courses		Progressive Courses	Marketing I
Course Offering Department	College of Management	Data Book / Codes/Standards			

Course Learning Rationale (CLR):	The purpose of learning this course is to:	Learning			Program Learning Outcomes (PLO)							
CLR-1 :	Gain detailed knowledge on nature and concepts of commodities	1	2	3	1	2	3	4	5	6	7	8
CLR-2 :	Study the main areas of trading methods	Level of Thinking (Bloom)	Expected Proficiency (%)	Expected Attainment (%)	Business Environment & Domain Knowledge (BEDK)	Critical Thinking, Business Analysis, Problem Solving and Innovative Solutions (CBPI)	Global Exposure and Cross-cultured understanding (GECU)	Social Responsiveness and Ethics (SRE)	Effective Communication (EC)	Leadership and Team Work(LT)	PSO -1	PSO -2
CLR-3 :	They will have insight of Derivatives											
CLR-4 :	Sustainable derivative Operations											
CLR-5 :	Students will also be empowered to apply the concepts in commodity trading											
Course Learning Outcomes (CLO):	At the end of this course, learners will be able to:											
CLO-1 :	Understand the process and information required for selling the Farm commodities	1	60	40	M	H	M	H	H	M		
CLO-2 :	Understand the insights on derivatives methods	1	60	40	M	H	M	H	H	M		
CLO-3 :	Enhance the Farm profits	2	50	50	M	H	M	H	H	M		
CLO-4 :	Understand the Farm commodity characters	2	50	50	M	H	M	H	H	M		
CLO-5 :	Analyze the Modern derivative market Operations				M	H	M	H	H	M		

Duration (hour)	9		9		9		9		9	
S-1	SLO-1	Introduction to derivatives	Forward	Options Basics	Swaps Basics	Risk Management				
	SLO-2	Advantages of Derivatives	Characteristics of Forward contract	Types of Options	Equity Swap	Exotic Derivatives				
S-2	SLO-1	Types	Futures	American Options	Currency Swap	Weather Derivatives				
	SLO-2	Importance of Derivatives	Characteristics of Future contract	European Options	Interest rate Swap	Credit Derivatives				
S-3	SLO-1	Necessity for derivatives	Pricing of forward contract	Option pricing models	Types	Real Derivatives				
	SLO-2	Challenges	Challenges	Binomial Model	Structure	Financial Engineering				
S-4	SLO-1	Valuation basics	Pricing of Future Contract	Black and Scholes	Pricing	Stages				
	SLO-2	Discounting	Challenges	Volatility	Indian Financial Market	Scenario Analysis				
S-5	SLO-1	Compounding		Delta	Global Financial Market	Simulation				
	SLO-2		Option Pricing Strategy	Gama	Challenges	Global trends				
S-6	SLO-1	Time value of money	Commodity Derivatives	Theta	Hedging	International Exchanges				

	SLO-2	Continuous compounding	Currency Futures	Vega	Significance of swap	Risks involved in Derivatives
S-7	SLO-1	Factors affecting derivatives	Interest Rate Futures	Rho	Advantages of Swaps	Strategies of Derivatives Trading
	SLO-2	Global factors	Index Futures & Valuation	Estimation and Valuation	Valuation	Applications of Derivatives concept
S-8	SLO-1	Case Study – 1	Case Study – 3	Case Study – 5	Case Study – 7	Case Study – 9
	SLO-2					
S-9	SLO-1	Case Study – 2	Case Study – 4	Case Study – 6	Case Study – 8	Case Study – 10
	SLO-2					

Learning Resources	<ol style="list-style-type: none"> Hull, John C, Options, Options, futures and other derivatives, Prentice Hall of India, 10th edition, 2016 Ranganatham and Madhumathi, Derivatives and Risk Management, Pearson, 2017 Kevin, S, Commodity and Financial Derivatives, PHI, 2016. Rajiv Srivastav, Derivatives and Risk Management, Oxford University Press, 2015
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		Learning Assessment													
Bloom's Level of Thinking		Continuous Learning Assessment (50% weightage)								Final Examination (50% weightage)					
		CLA -1 (5marks)		CLA -2 (5marks)		CLA-3 (10marks)		CLA -4 (15marks)		CLA -5(15marks)		Marks -100 which will be weighted at 50%			
		Theory	Practice	Theory	Practice	Theory	Practice	Theory	Practice			Theory	Practice		
Level 1	Remember Understand	50						35		35			35		
Level 2	Apply Analyze	25						35		35				35	
Level 3	Evaluate Create	25						30		30			30		
	Total	100 %		100 %		100 %		100 %		100%		100 %			

CLA – 1-5: can be from any combination of these: Class Participation, Surprise Test, Cycle test, Model Examination, Mini-Projects etc.,

Course Designers		
Experts from Industry	Experts from Higher Technical Institutions	Internal Experts
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