



# **Market Khiadi Training Institute**

# **Derivative Market and Option Strategy Program**

**Course Fees- 15,000**

**Duration- 6 Weeks**

## **CURRICULUM**

### **Module 1: Introduction to Financial Markets and Derivatives**

- Understanding the Basics of Financial Markets
- Role of Derivatives in Risk Management
- Types of Derivatives: Futures and Options
- Market Participants and Their Roles

### **Module 2: Fundamentals of Derivative Instruments**

- Futures Contracts: Mechanics and Characteristics
- Options Contracts: Call and Put Options
- Pricing of Derivative Instruments
- Payoff and Profit/Loss Profiles

### **Module 3: Option Market Strategies**

- Basic Option Strategies: Long Call, Long Put, Covered Call, Protective Put
- Advanced Option Strategies: Straddle, Strangle, Butterfly, Iron Condor
- Synthetic Positions and Replication
- Delta, Gamma, Theta, and Vega: Greeks in Options Trading

### **Module 4: Option Pricing Models**

- Black-Scholes Model: Assumptions and Formula
- Binomial Option Pricing Model
- Volatility and its Impact on Option Pricing
- Real-world Factors Affecting Option Pricing

## **Module 5: Trading Strategies with Derivatives**

- Trend Following Strategies
- Mean Reversion Strategies
- Delta-Neutral Trading
- Hedging and Speculation Techniques

## **Module 6: Risk Management in Derivatives Trading**

- Understanding and Managing Market Risk
- Credit Risk and Counterparty Risk
- Operational Risk in Derivatives Trading
- Regulatory Framework and Compliance

## **Module 7: Derivatives Trading Platforms and Technology**

- Electronic Trading Platforms
- Algorithmic Trading in Derivatives
- Risk Management Systems
- Overview of Blockchain and Smart Contracts in Derivatives

## **Module 8: Case Studies and Practical Applications**

- Analyzing Real-world Derivatives Trades
- Simulated Trading Exercises
- Case Studies on Successful and Unsuccessful Derivatives Trading
- Practical Application of Option Strategies

Note: The course content is comprehensive and should be delivered over an appropriate duration with a mix of lectures, case studies, hands-on exercises, and guest lectures by industry experts. The course should be periodically updated to reflect changes in market dynamics and regulatory environments.