

UNIVERSITY OF TORONTO
DEPARTMENT OF STATISTICAL SCIENCES
ACT245 H1 S – Financial Principles I

Course Outline – Summer 2014

Instructor: Heng Wang, FSA, MSc
Lectures: Tuesdays and Thursday, 7-9pm
Lecture Location: SS1086
Tutorials: Tuesdays and Thursday, 6-7pm
Tutorial Location: SS1086
Office: SS 6026
Office Hour: Friday 6-8pm
Instructor will leave if no students show up after 7pm
Email: heng.wang@bhlifere.com

Prerequisite:

ACT240H1, MAT137Y1 (minimum grade 65%)/ MAT157Y1(minimum grade 50%)

Marking Scheme:

Term Test 1: 25%, Jul 22nd Tuesday, 6-7pm in SS1086
Term Test 2: 25%, Aug 5th Tuesday, 6-7pm in SS1086
Final Exam: 50%, Aug 13th to 19th, Time and Location TBD

Missed Test:

If a student misses a test due to illness, the student must notify the instructor by the next lecture and submit a medical certificate issued by an Ontario-registered MD indicating type of illness and date of illness. The weight of the missed test will be shifted to the final exam.

If a student misses Term Test1, it is the student's own responsibility to decide whether to drop the course before July 29, which is the last date to drop the course without academic penalty.

Textbooks and References:

Study Guide for SOA Exam FM/ CAS Exam2, by Professor Broverman
Mathematics of Investment and Credit, by Professor Broverman

Course Schedule:

Lecture 1 - July 3:

- Duration

Lecture 2 - July 8:

- Last day to add a course
- Immunization

Lecture 3 - July 10:

- Forward contract and Future contract

Lecture 4 - July 15:

- Forward contract and Future contract - continued

Lecture 5 - July 17:

- Introduction to Options

Lecture 6 - July 22:

- Term Test 1 from 6pm to 7pm
- Options- continued

Lecture 7 - July 24:

- Term Test 1 result will be handed out
- Option strategies

Lecture 8 - July 29:

- Last day to drop a course without academic penalty!!!
- Option strategies – continued

Lecture 9 - July 31:

- Option strategies – continued

Lecture 10 – August 5:

- Term Test 2 from 6pm to 7pm
- Introduction to Swaps

Lecture 11- August 7:

- Term Test 2 result will be handed out
- Swaps - continued

Lecture 12- April 1:

- Last tutorial and lecture
- Review key concepts

Final Exam – Date and Location TBD