

Tentative Schedule

Weeks	Topics	John Hull	Presentation	
			Neftci	Berger
W1 (2/16)	Introduction (Stochastic Processes & Simulation)	Ch 11		
W2 (2/23)	Black-Scholes Model	Ch 12		
W3 (3/01)	GMM (Hamilton -- Ch 14)	Notes		
W4 (3/08)	Bayesian Analysis and Gibbs Sampler (1)	Notes		
W5 (3/15)	Bayesian Analysis and Gibbs Sampler (2)	Notes	Ch 4 (Samatha) Ch 5 (Victor)	
W6 (3/22)	Swaps and Options	Ch 6, 7, & 8	Ch 6 (Ivan)	
W7 (3/29)	Estimating Volatilities & Correlations Numerical Procedures	Ch 17 Ch 18	Ch 7 (Kent)	Ch 1 (Sean)
W8 (4/05)	Spring Break (No class)			
W9 (4/12)	Interest Rate Markets	Ch 5	Ch 8 (Jay) Ch 9 (Sean)	
W10 (4/19)	Exotic Options	Ch 19	Ch 10 (Samatha)	Ch 2 (Wen)
W11 (4/26)	Hedging Strategies Using Futures	Ch 4	Ch 11 (Wen)	
W12 (5/03)	Gibbs Sampler (in MC Switching VAR)	Notes	Ch 12 (Ivan)	Ch 3 (Kent)
W13 (5/10)	Midterm Exam			
W14 (5/17)	Interest Rate Derivatives (Market Models)	Ch 22	Ch 13 (Victor)	
W15 (5/24)	Interest Rate Derivatives (Models of Short Rate)	Ch 23	Ch 14 (Wen)	Ch 4 (Jay)
W16 (5/31)	New (Derivatives) Instruments in Taiwan	Notes	Ch 15 (Sean)	
W17 (6/07)	LTCM Hedging Strategies	Notes	Ch 16 (Jay)	
W18 (6/14)	Summary and Review			