

Theory of Interest
Spring 2008
Course Syllabus

Instructor: Dr. Jayawardhana
Office: 207 Yates Hall
Office Hours: Check the timetable below
Class web page:

Phone: 235-4414
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Text:

- (1) Derivatives Markets, second edition by Robert L. McDonald
- (2) Financial Mathematics: A Practical Guide for Actuaries and other Business Professionals, second edition by Chris Ruckman and Joe Francis

Supplementary Texts:

- (1) ACTEX Study Manual for SOA Course 2 and CAS Exam 2 (Interest Theory)
- (2) Mathematics of Investment and Credit (3rd edition) by S.A. Bowerman
- (3) The Theory of Interest, Second Edition by Stephen G. Kellison

Prerequisites: Math 153 or Math 155

Objective: The objective of this class is to prepare students for the theory of interest section of the Course 2 examination of the Casualty Actuarial Society and the Society of Actuaries.

Coverage:

Financial Mathematics: Chapters 1, 2, 3 (3.1-3.9), 4 (4.1-4.5), 5, 6 (6.1-6.3), 7 (7.1-7.9), and 8 (8.1-8.3)

Derivative Markets: Chapters 1 (1.1-1.4), 2 (2.1-2.6 and Appendix 2A), 3 (3.1-3.5), 4 (4.1-4.4), 5 (5.1-5.4 and Appendix 5B), and 8 (8.1-8.2)

Evaluation:	Four One Hour Tests	= 400 points
	Quizzes	= 200 points (Only 10 minutes per quiz)
	Homework	= 200 points
	Comprehensive Final	= 200 points

Grading Scale:	90%-100%	= A
	80%-89%	= B
	70%-79%	= C
	60%-69%	= D
	<60%	= F

Instructor keeps the right to lower the scale if necessary.

If you have a special need addressed by the **American with Disabilities Act**, please notify me immediately so that appropriate accommodations can be provided.

Instructor's Time-table

	Monday	Tuesday	Wednesday	Thursday	Friday
8.00-8.50	Math 658 Yates 226	Office	Math 658 Yates 226	Office	Math 658 Yates 226
9.00-9.50 MWF 9:30-10.45 TT		Math 643/743 Yates 106		Math 643/743 Yates 106	
10.00-10.50	Math 543 Yates 216		Math 543 Yates 216		Math 543 Yates 216
11.00-11.50	Office	Office	Office	Office	Office
	L	U	N	C	H
1.00-2.00	Math 646 Yates 225	Office	Math 646 Yates 225	Office	Math 646 Yates 225
2.00-3.00					
3.00-4.00					

* Note that from 2.00 p.m. to 5.00 p.m. there are other commitments such as independent studies, committee meetings, departmental meetings, departmental colloquia etc. You are encouraged to use the office hours allocated before 2.00 p.m. If my office hours conflict with your other classes please let me know.