



# FINANCIAL STANDARDS

## Fundamentals of Futures & Options/Series 3 Exam Course (2 Days)<sup>1</sup>

This two-day course includes lecture from an engaging instructor with real-world expertise and supported by class discussion, practice exercises and educational materials. The course fee includes two must-read industry books – Futures and Options and the Guide to US Futures Regulation. The fee also includes a 6-month subscription to PassMaster, which is a comprehensive, Web-delivered educational program that helps students customize and streamline study time. PassMaster consists of two distinct components – a Tutorial with test questions and answers and a Series 3 Exam Simulator for NFA candidates.

### Learning Outcome

After the course you will be able to:

- Describe trading and uses of futures and be able to compare/contrast futures to securities & cash market products
- Understand futures trading theory, basic functions, characteristics, pricing and terminology
- Interpret problems faced by those who are either long or short the market and understand how using listed contracts alleviates those problems by calculation of profit or loss with/without futures implementation
- Explain the principles of margins, offset, settlement
- Understand the strategy used in different order types
- Describe the nature of future spreads as “relative positions”
- Identify principles of hedging and cash-futures prices relationships as well as the importance of the basis
- Understand futures used to hedge exposure to an underlying commodity or to speculate on a future price
- Enumerate the uses of stock-indexes, foreign exchange, energy, metals and other futures-based commodities
- Understand options nomenclature including premiums, exercise, assignment and settlement
- Describe option price determinants of option price and how they affect the option premium
- Understand use of option spreads to focus on a given market forecast; implementing vertical spread, horizontal spread, straddle, strangles, butterfly and condor strategies
- Compare futures and options on futures as risk management tools
- Understand portfolio management strategies and tactics using various futures and options products to modify the risk characteristics of a given portfolio

**Who Should Attend?** Anyone requiring an understanding of the futures and options markets, their institutions and their participants. This includes prospective markets users (asset managers, pension fund managers, commercial commodity producers and companies that provide food, agriculture, financial, energy and industrial products and other corporates.) The course is highly beneficial for those who support trading, compliance, information technology, risk management, operations, marketing, sales, supply and distribution, treasury and accounting as well as regulators and policy makers.

Lastly, the course covers all the topics of the NFA Series 3 Exam, the basic proficiency standard for industry professionals. The course fee also includes Web-access to PassMaster, the IFM’s unique tutorial to enhance your learning and comprehension of the content, and a Series 3 exam simulator that offers unlimited practice tests for exam candidates.

Continuing Professional Education (CPE) credits available on request.

**To Register:** Course registrations accepted at [theifm.org](http://theifm.org), or by calling Myrtle Allen at 202-223-1528.

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<sup>1</sup> Offered in association with the Institute for Financial Markets, a nonprofit educational foundation