EC3070 FINANCIAL DERIVATIVES

TOPICS FOR THE EXAMINATION

1. Describe any two of the following events:

The run on Northern Rock and the demise of Lehman Brothers,

The crash of the Wall Street stock market in 1929,

The bail-out of Long Term Capital Management in 1998,

The collapse of the AIG insurance empire,

The acquisition, by trading in financial markets, of a controlling interest in the Volkswagen company by the Porsche company.

2. Describe the provisions for the financial protection of farmers and traders in agricultural commodities that are offered by the Chicago Board of Trade.