



**Derivatives Master**

12-Week Program with Personal Coaching

# Derivatives Master

25 years of insights from the trading floor

If you already have derivative experience but want to take the next step, this is the program to become a real master and boost your career. But be informed, that this is a challenging 12-week program where we will go into the details.

The Derivatives Master class (DMC) has been developed and applied over many years to train derivative traders and derivative sales of a large investment bank. It is now available online to a broader audience. Participants will learn more about how derivatives are used in the different markets and by various clients, how they are risk managed by banks, modelled, and priced in the academic world and in real life.

The course is intended for market professionals that have ongoing interaction with futures and options markets. It is assumed that participants are already familiar with the fundamentals of derivatives. Ideally participants have taken the Derivative Advanced class first.

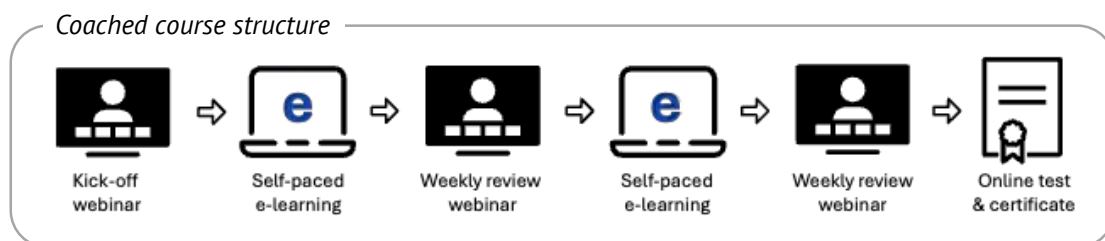


## Course structure and time commitment

Derivatives Master is built around flexible, self-paced e-learning modules that [you can start at any time and complete at your own pace](#). The course concludes with an online test and certification.

For participants who prefer a more guided experience, we offer a [12-week coached program several times a year](#), combining the e-learning with bi-weekly live review webinars and direct access to experienced coaches.

As a guideline, to complete the course in 12-weeks you should expect to spend around 4-5 hours per week.



The Derivatives Master course is certified by SAQ, the Swiss Association for Quality, and accounts for 60 hours of continuous education.

## Who should attend?

The Derivative Master course is intended for market professionals that have ongoing interaction with futures and options markets. It is a challenging but very rewarding course, where you will have to put time and effort into it. It is assumed that participants are already familiar with the fundamentals of derivatives.

## Course content

We will cover the following topics:

- Derivatives toolkit – Review of the main derivative concepts
- Models and valuation
- Volatility and volatility markets
- Option graphs
- American options and early exercise
- Investor strategies
- Currency management and FX derivatives
- Interest rate derivatives

A detailed content description is provided at the end of this brochure and on the website.

## Costs and course details

<b>Course costs:</b>	3'000 CHF per person
<b>Group discounts:</b>	Please contact us
<b>Level:</b>	Master
<b>Course format:</b>	Self-paced e-learning combined with live webinars
<b>e-Learning start:</b>	You can start anytime and complete at your own pace
<b>Coached program start:</b>	1 September 2026, for more start dates visit course website
<b>Review webinars:</b>	Bi-weekly. For exact time please visit the website.
<b>Course website:</b>	<a href="http://www.nosco.training/course/derivatives-master">www.nosco.training/course/derivatives-master</a>
<b>Education credits:</b>	60 hours accredited by the Swiss Association for Quality, SAQ

**This course is SAQ accredited for  
60 hours of continuous education credit.**

More on [www.saq.ch](http://www.saq.ch)



Swiss Association for Quality

## Who is NoscoTraining?

NoscoTraining is a Swiss based company with international finance experience, servicing banks, asset managers and institutional investors. We combine *financial expertise* with *business experience* and *applied training skills* to deliver practical financial market education programs.

*We are practitioners.* We worked for many years on the business and education side of a major global bank, where client focus, practical relevance, and implementation solutions were complemented by theoretical thoroughness.

For more about our trainers visit [www.nosco.training/about](http://www.nosco.training/about) .

A detailed description of each course module is found on the next pages.

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Any questions?  
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25 years of insights from the trading floor



## Detailed course content – Derivatives Master

<p><b>Module 1 Derivatives Toolkit</b></p> <p>This module reviews the main derivative instruments and core concepts that participants are expected to be familiar with. It is intended as a refresher, and we recommend completing it before starting the Master Class.</p>	<p><b>Futures and forwards</b></p> <p>Derivatives with a symmetric payoff profile are the most fundamental derivatives. Understanding how they are valued and used is the first step to understand derivatives.</p>
	<p><b>Options &amp; value drivers</b></p> <p>Several key factors influence the value of an option. Understanding the why and how behind these drivers is central to understanding options.</p>
	<p><b>Relative Value</b></p> <p>Put call-parity is the most important relationship between calls and puts. It has far-reaching consequences not only for European options.</p>
	<p><b>Risk Measures and the Greeks</b></p> <p>An option's value is the result of a complex interplay between several market factors. Risk measures break this interplay into simple components.</p>
	<p><b>Option Strategies</b></p> <p>Investors use options to precisely implement market forecasts and tailor the risk-return profile of their portfolio. We investigate the views and risk profiles of the most popular option strategies.</p>
	<p><b>Knowledge check</b></p> <p>A set of questions to help you review your derivative knowledge. Some of the questions are very easy, others need a bit more thinking.</p>
<p><b>Module 2 Models &amp; Valuation</b></p> <p>Option valuation models are not just tools for pricing options; they provide valuable insights into the inner workings of options.</p>	<p><b>Risk-neutral valuation</b></p> <p>For the investor, the value of an option depends on their view and risk aversion. The price the trader quotes is driven by the costs to risk manage the option. It is important to understand this dual world and its implications.</p>
	<p><b>Binomial model</b></p> <p>The Binomial model is like a mechanical clock. Every time the clock ticks, the spot price moves to one of two values. Being able to see and control all the moving parts makes the binomial model versatile and easily adaptable.</p>
	<p><b>Black-Scholes</b></p> <p>The Black-Scholes pricing model (1973) changed the world of finance. Options were no longer just bets, but investment objects with an explainable price behavior. This was the birth of more efficient risk management.</p>

<p><b>Normal and lognormal</b></p> <p>Every option model implies a distribution of future spot prices. To judge the value of a model we need to understand to what extent that distribution fits reality.</p> <p><b>How to get to an option value</b></p> <p>Even once you fully understand all facets of Black-Scholes, it is still quite a calculation to get to the actual call and put values. Our brain is just not made for this. We need a special calculator or at least a way to approximate option values. We give you both!</p> <p><b>Homework</b></p> <p>In the final homework you will price and risk manage a currency option.</p>	<p><b>Normal and lognormal</b></p> <p>Every option model implies a distribution of future spot prices. To judge the value of a model we need to understand to what extent that distribution fits reality.</p>
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<p><b>Module 3</b> <b>Volatility and volatility markets</b></p> <p>Volatility plays a central and subtle role in option valuation. It measures price fluctuations of the underlying, which create option value. Implied volatility reflects option prices and leads to the volatility smile.</p>	<p><b>Volatility basics</b></p> <p>This module covers the fundamentals of volatility, variance, and standard deviation. We learn how volatility is calculated, why risk is not linear over time, and review key statistical concepts such as biased and unbiased estimators.</p>
	<p><b>Realized volatility</b></p> <p>This module introduces realized (historical) volatility as a measure of past market uncertainty. We learn how it is calculated and explore long-term volatility patterns using historical data from equity markets and foreign exchange.</p>
	<p><b>Uncertainty &amp; distributions</b></p> <p>We examine how uncertainty and risk can be described using statistical distributions. We derive risk from market prices, compare market-implied distributions, and study how the Black-Scholes framework models uncertainty using normal and lognormal assumptions.</p>
	<p><b>Implied volatility</b></p> <p>We introduce implied volatility as a key concept in option markets. We explore the volatility smile, skew, and term structure, the forces behind these patterns, and how traders use strategies such as straddles, butterflies, and risk reversals to trade implied volatility.</p>
	<p><b>Implied vs. realized volatility</b></p> <p>This module compares implied and realized volatility and shows how options can be used to trade the difference. We introduce long and short gamma, statistical arbitrage, and gamma scalping as ways to capture future realized volatility.</p>
	<p><b>Homework</b></p> <p>True or false? 15 challenging questions.</p>

<p><b>Module 4</b> <b>Option graphs</b></p> <p>Option models link market parameters to option values, but formulas are hard to grasp intuitively. Graphs help visualize option behavior and make these relationships easier to understand.</p>	<p><b>The theoretical value (TV) graph</b></p> <p>You will be surprised how much the common theoretical value (TV) graph tells us. We investigate how the TV graph changes if vol is very high or very low, and how the Greeks can be visualised.</p>
	<p><b>Hedging the delta risk of your option</b></p> <p>The differences between spot delta, forward delta, and future delta are subtle. But depending on how you delta-hedge your option book, it can be very important.</p>
	<p><b>Graphing the Greeks</b></p> <p>How do the risk measures (Greeks) change? Can we see this in a graph? The answer is yes. Once you zoom out and look at the entire spot range, the behavior of risk measures becomes much more comprehensible.</p>
	<p><b>Hedging volatility risk</b></p> <p>Flow traders are volatility traders. And hedging volatility is the flow trader's costs to stay vega neutral. Sounds complicated? Don't worry, we will explain.</p>
	<p><b>Homework</b></p> <p>Option strategies and graphs</p>

<p><b>Module 5</b> <b>American options and early exercise</b></p> <p>Equity options are usually American style, allowing early exercise. This module explains why early exercise can matter, when it is optimal, and how the value of an American option compares to a European option.</p>	<p><b>American basics</b></p> <p>The basic framework for deciding whether and when to exercise.</p>
	<p><b>American equity options</b></p> <p>This module explains why most equity options are American style and how dividends make early exercise valuable. We analyze when it is optimal to exercise American call and put options before expiry.</p>
	<p><b>Model DIY workshop</b></p> <p>We extend the binomial model to value American options, incorporating early exercise and dividends. We build the model step by step and analyze how market parameters affect the value, delta, and expected life of American calls and puts.</p>
	<p><b>American vs European</b></p> <p>We compare American and European options and shows when early exercise becomes important. We study the impact of dividends, differences in option pricing, and how put-call parity changes for American options.</p>
	<p><b>American options: The graphs</b></p> <p>An American option is a European option plus the right to early exercise. How is this "plus" reflected in the graphs?</p>

	<p><b>Homework</b></p> <p>12 multiple choice questions for you to test your skills and gain further insights. Some questions are very easy, while others are more subtle and need more thinking. You will need to carry out some calculation, so get you calculator ready.</p>
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<p><b>Module 6</b> <b>Investor strategies</b></p> <p>Many investment strategies use options to shape the risk-return profile. This module reviews common strategies, how derivatives change returns, and how to measure the benefits of asymmetric payoff structures.</p>	<p><b>Investors</b></p> <p>Everything starts with the investor. To select the right investment strategy, we first need to understand the investor’s needs and preferences. But are investors rational or just humans caught in emotions? Let’s investigate. We then assess the available trade-offs between risk and return.</p>
	<p><b>Investment characteristics</b></p> <p>We study how different investments create different return distributions. We compare symmetric and asymmetric risk profiles, their impact on the Sharpe Ratio, and develop a framework to evaluate option strategies using distributions and a strategy dashboard.</p>
	<p><b>Yield enhancement and optimization</b></p> <p>Yield enhancement and optimization is for investors who can tolerate some risk. The strategies aim to optimize the return structure for the investor. They either trade potential future capital gains against a known cash income, or leverage some potential returns and cap others.</p>
	<p><b>Capital protection: Worked examples</b></p> <p>This module explains capital protection strategies for investors who want upside potential with limited downside risk. We build protection structures step by step and show how different protection levels and participation rates change the investment outcome.</p>
	<p><b>Homework:</b></p> <p>Build and price your own “Reverse Convertible”</p>

<p><b>Module 7 Currency management and FX derivatives</b></p> <p>Currency risk is the inevitable by-product of international trading and investing. We investigate how FX exposure can be managed using forward, vanilla options or more exotic derivatives.</p>	<p><b>FX warm-up</b> This module reviews the basics of foreign exchange markets and terminology. We revisit FX forwards, understand pricing through arbitrage relationships, and practice identifying arbitrage opportunities in FX and FX option markets.</p> <p><b>Foreign investments and return attribution</b> Any foreign investment carries two exposures – the performance of the foreign asset and the movement of the foreign currency. The FX exposure is often considered to be just a by-product of the actual investment decision and its management neglected. But currency movements can significantly affect the performance of the portfolio. We decompose the total return, understand the FX impact and ask ourselves what happens if we hedge it.</p> <p><b>The impact of FX hedging</b> If you don't like the currency exposure that comes with an investment, you just hedge it away. But how does FX hedging affect your total return and Sharpe ratio?</p> <p><b>FX Vanilla Options</b> FX options behave like options on other asset classes. What makes them special is that both currencies involved can be considered the underlying. The FX world is more symmetric than other asset classes. That can create confusion but also eventually leads to a deeper understanding of options.</p> <p><b>Barrier options and corporate hedging</b> Barrier options are widely used in foreign exchange. They help to cut down costs for investors and hedgers who accept keeping some residual risks.</p> <p><b>Knowledge check</b> Finally, some questions for you to test your FX knowledge.</p>
<p><b>Live webinar Extra topics</b></p> <p>Additional topics we will cover during the live webinars.</p>	<p><b>Interest rate derivatives</b> The concepts we learned so far also apply to interest rate derivatives. We adapt our framework to the rates world and study key instruments such as short-term interest rate futures, swaps, and swaptions.</p> <p><b>Volatility derivatives</b> Volatility derivatives allow investors to trade pure volatility and manage volatility exposure. In this session, we introduce the main instruments, explain how they are used and hedged, and connect them to the concepts developed earlier.</p>
<p><b>Online test &amp; certification</b></p>	<p>Apply what you have learned in a final online exam and earn your course certificate.</p>

For more information visit <https://www.nosco.training/course/derivatives-master>  
Or email [info@nosco.training](mailto:info@nosco.training)