

# Chapter 9: Parity & Other Option Relations

Finance 6470 - Derivatives Markets

Tyler J. Brough

Department of Finance and Economics



## Section 9.1: Put-Call Parity

# Parity and Other Option Relationships

# IBM Option Quotes

**TABLE 9.1**

IBM option prices, dollars per share, May 6, 2011. The closing price of IBM on that day was \$168.89.

Strike	Expiration	Calls		Puts	
		Bid (\$)	Ask (\$)	Bid (\$)	Ask (\$)
160	June	10.05	10.15	1.16	1.20
165	June	6.15	6.25	2.26	2.31
170	June	3.20	3.30	4.25	4.35
175	June	1.38	1.43	7.40	7.55
160	October	14.10	14.20	5.70	5.80
165	October	10.85	11.00	7.45	7.60
170	October	8.10	8.20	9.70	9.85
175	October	5.80	5.90	12.40	12.55

*Source:* Chicago Board Options Exchange.