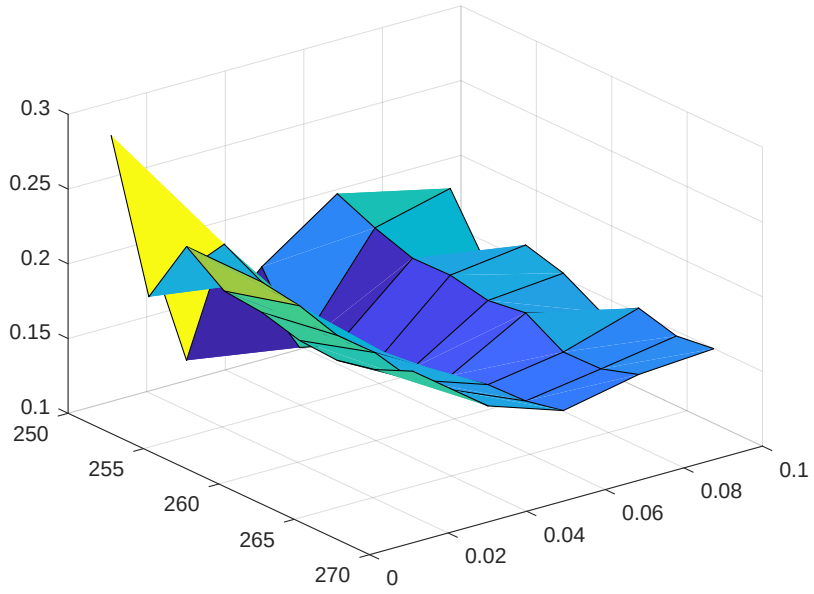
Lab Week 2

Write a Matlab function that computes the implied volatility of a European call or put option using the Newton method discussed in the lecture. The input parameters should be S; K; r and T. Compare the performance of your code with the Matlab function `blsimpv`. Finally, obtain market prices for traded options on Apple stock (AAPL) from Yahoo Finance and plot the implied volatility surface.

Sample output



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