

A Derivative Approach to Derivative Pricing

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1 Definition

- A financial product which has a value derived from an underlying variable asset

2 Examples

- Future
- Option
- Swap:

Next week I will give you \$110 and you will give me £100

Next week I would like to be able to buy £100 for \$110 if I want

What

```
a = 10  
b = Just "hello" "world"
```