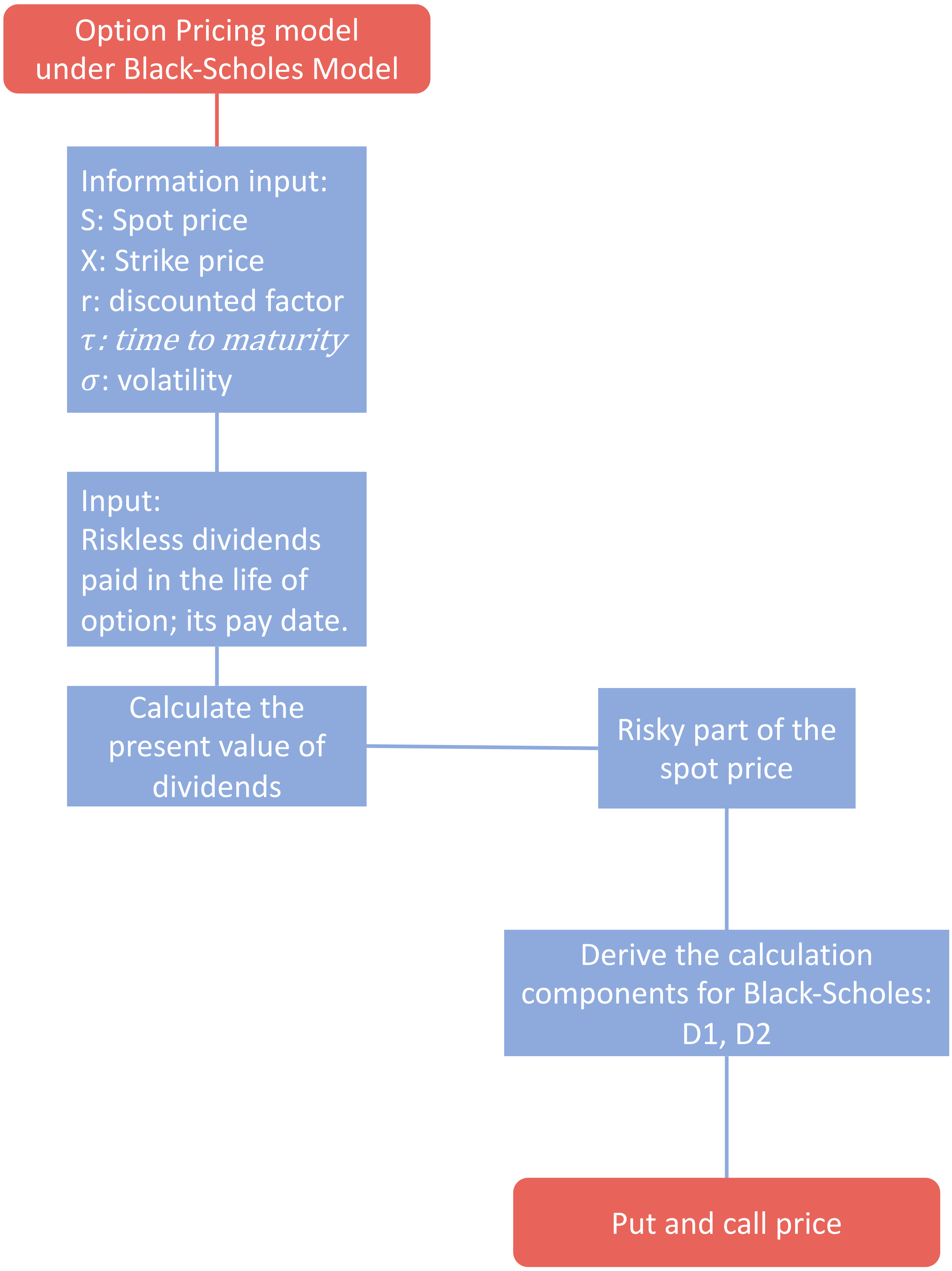
Option Pricing model under Black-Scholes Model
Information input:
S: Spot price
X: Strike price
r: discounted factor
τ: time to maturity
σ: volatility
Input:
Riskless dividends paid in the life of option; its pay date.
Calculate the present value of dividends
Risky part of the spot price
Derive the calculation components for Black-Scholes: D1, D2
Put and call price