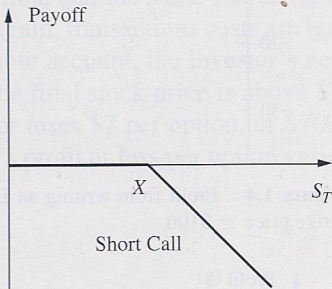
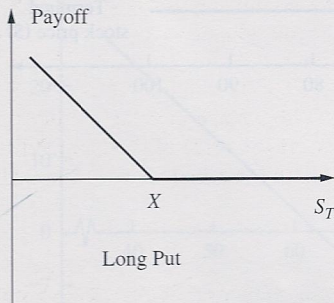


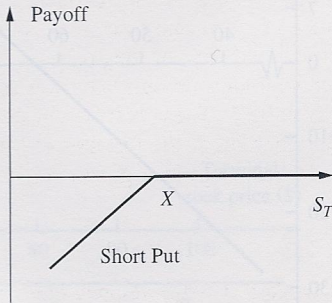
Long Call



Short Call



Long Put



Short Put

X = Strike price

S_T = Price of asset at maturity

Figure 1.6 Payoffs from positions in European options.