

Anno Accademico 2014/2015

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Chapter 1

The need for extending Black-Scholes-Merton

1.1 Notation and preliminary results

Let's start by introducing some notation and stating some preliminary results that will be useful at later stages. @asd

1.2 Stylized Facts

1.2.1 Volatility Smiles

1.3 Importance for Hedging

Crashophobia

Bibliography