

Derivatives Notes

Last class

Professor went to a presentation
by senior students graduating this
December.

* A lot of work done on
simple data, equities. but not on
derivatives like futures.

future has a lot of momentum.

Hedge fund loves futures because they
can be used to express views easily.

Portfolio theory.

Smart Δ hedging.

Neural network.

algo trading.

} popular
Senior,
presentation
topics.

Some top aspects of the industry

Bitcoin.

Cryptocurrency.

The Libra by facebook, is a little different from bitcoin in that its value is fixed, tied to \$.

Does cryptocurrency need regulation?

I think they definitely need regulation.

Market Making:

Citadel Securities is making way more money than Citadel hedge fund. They buy order flows and somehow makes money out of it.

Stock brokerage now instead of charging money from the individual investors, charge money from MM. for the order flow.