

Mathematics and Statistics Club

A Talk by Dr. Tirtha Timsina:

Basics of Option Pricing

Options are complex financial derivatives that are difficult to price. Mispricing these financial derivatives can lead to huge losses in a very short time. I will show how a simple Binomial model can be used to price these complex financial derivatives. I will also introduce a more advanced Black-Scholes model which is the back bone of modern option pricing theory. This talk is open to anyone who is interested in knowing about application of mathematics in finance. It aimed at undergraduate students and does not require rigorous mathematical knowledge.

Tuesday, Nov. 10th

12:30-1:30 pm

796 College of Education

Free Pizza