Financial Mathematics

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[1] Based on Robert L. McDonald's *Derivatives Markets*, 3rd Ed, Pearson, 2013.

Chapter 9. Parity and other option relationships

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§ 9.1 Put-call parity

§ 9.2 Generalized parity and exchange options

§ 9.3 Comparing options with respect to style, maturity, and strike

§ 9.4 Problems

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Generalize the parity to apply to the case where the strike asset is not necessarily cash but could be any other asset.

We will skip this section and
leave it for motivated students.