

Title: I needed a review. Others might, too! ■






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Is_self: False

Option Greeks		
	DELTA	It is defined as the rate of change of the option price with respect to the price of the underlying asset. The delta varies between 0 and 1 for a call option, and -1 to 0 for a put option.
	GAMMA	It is defined as the rate of change of portfolio's delta with respect to the price of underlying asset – in other words, the second order partial derivative of the portfolio with respect to the asset price.
	THETA	It is defined as the rate of change of the value of the portfolio with respect to the passage of time with all else remaining the same. It is sometimes referred to as the time decay of the portfolio.
	VEGA	The Vega of a portfolio of derivative is the rate of change of the value of the option portfolio with respect to the volatility of the underlying asset.
	RHO	It is defined as the rate of change of the value of the portfolio with respect to the interest rate.