

Example of Lattice Plot for American Put Option – Exercise, Prosecution and Market Values in CRR Model

market periods $N = 14$, risk free rate $r = 0.003774561$, $u = 1.017143$, $d = 0.9828566$, risk neutral probability $(p, q) = (0.00610088, 0.9938991)$, strike $K = 205$.

