M339D: January 19th, 2022.

Important Prerequisite Material.

- **Graphing functions** – in particular, piecewise linear f'tions
- Probability on finite probability spaces (say, the binomial)
- **Interest Theory** – force of interest; zero-coupon bonds; savings accts

Financial Portfolios.

- **Riskless Asset** : savings accounts, loans, bonds
- **Risky Asset** : shares of stock, commodities, foreign currencies market indices ...
- **Derivative Securities**