GP

Asking for advice on group project topic

Dear Dr. Buehlmaier,

Hope this email finds you well.

I am Shunhua Guo, from FINA 4354 class. Thank you so much for the excellent teaching. And we gained a lot of insightful ideas from the lectures.

Our group was preparing for the group project and encountered a problem deciding which product to focus on. We currently have several ideas in mind and would like to seek your advice.

The first one we consider is a Chooser option for four types of Barrier options, whose choosing date is predetermined, and we would like this product to maximize the profit of investors based on their view at the choosing date. And the second one we consider is similar to the barrier option with coupon payment once the barrier is touched, which likely is attractive to the additional cash stream it provided. The third possibility to be considered is an option with 2 exercise prices, whose underlying asset is a CNY-traded SP500 index. We intuitively want this product to catch the volatility in currency exchange and the stock index and cope with the option characteristic under this after-COVID-19 situation.

I wonder if you could spare some time to schedule a Zoom meeting to discuss our ideas.

Thank you so much.

Best,

Shunhua