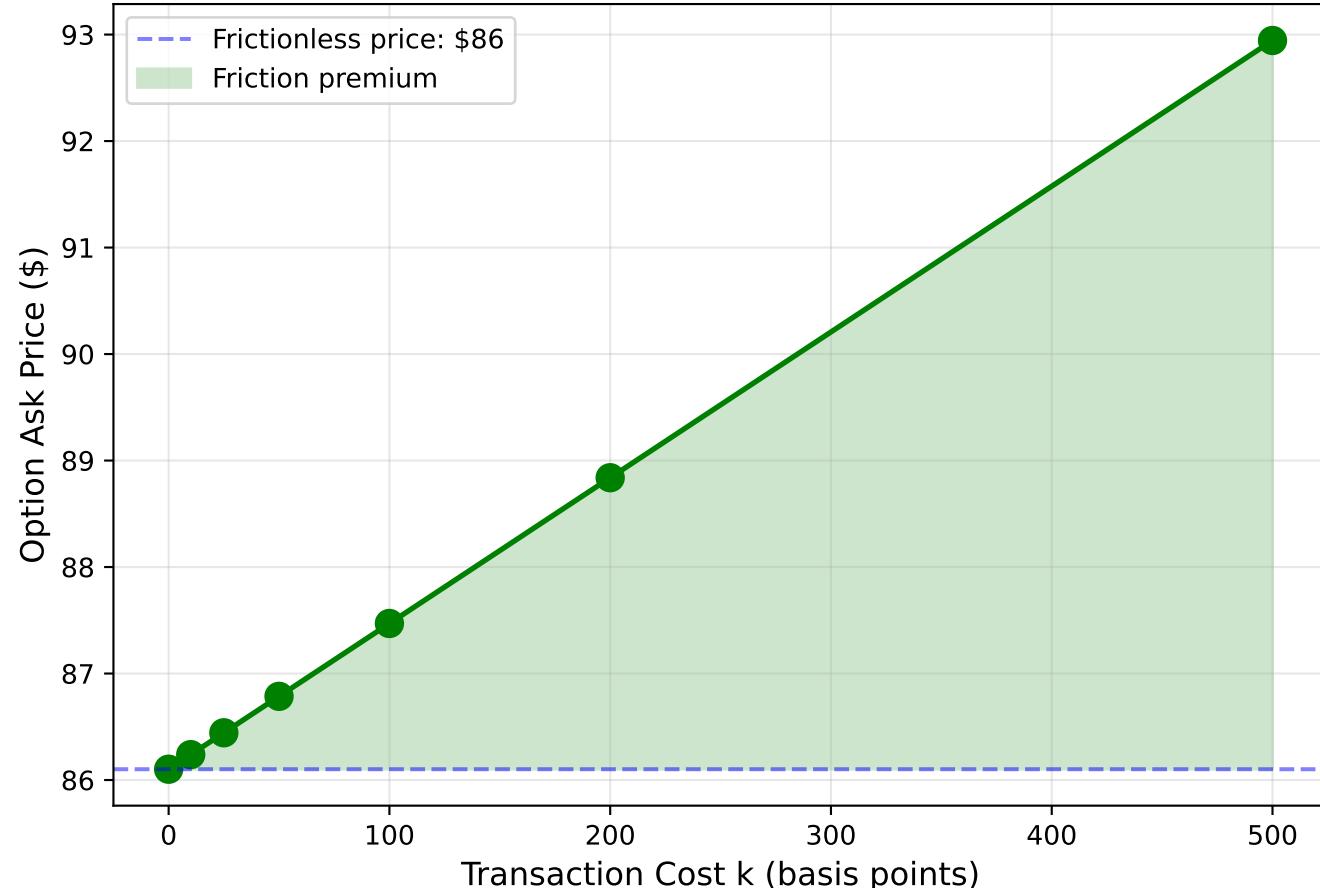


Impact of Transaction Costs on MMOT Pricing (Theorem 6.3)

S&P 500, $S_0 = \$6906$, K=ATM, Upper Bound

**Asian Call UPPER BOUND
(Hedging Cost with Friction)**



**Hedging Cost Premium
(% Above Frictionless Price)**

