

Lecture 5 report

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zad2

Parameters:

1. stock prices: 1 - 1000, step 1
2. strike: 140
3. volatility: 0.1
4. risk free interest rate: 0.3

Serie1 - maturity 0.001

Serie2 - maturity 0.5

Serie3 - maturity 1

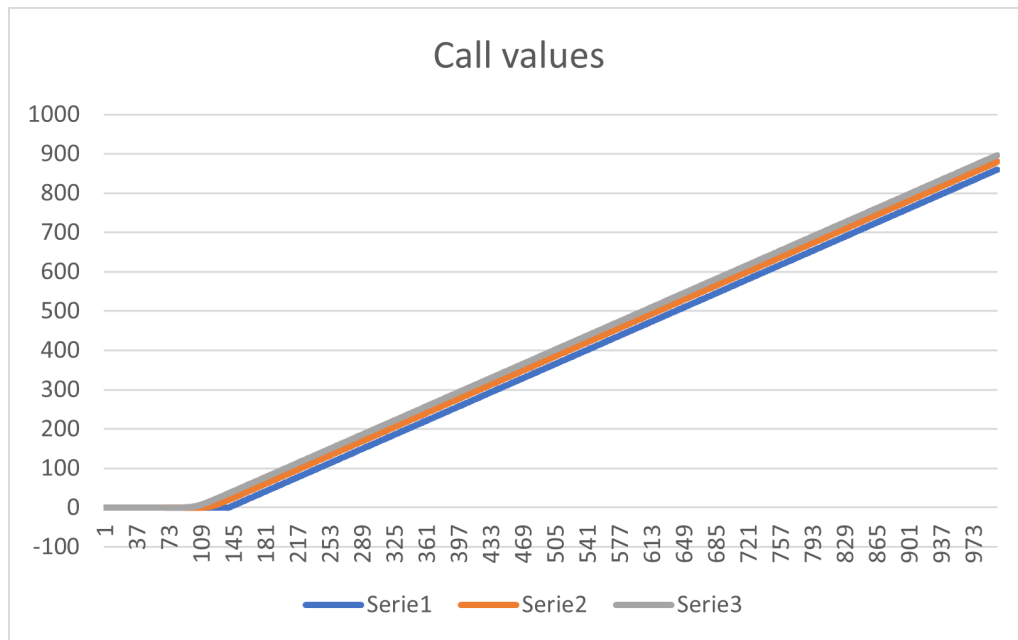


Figure 1

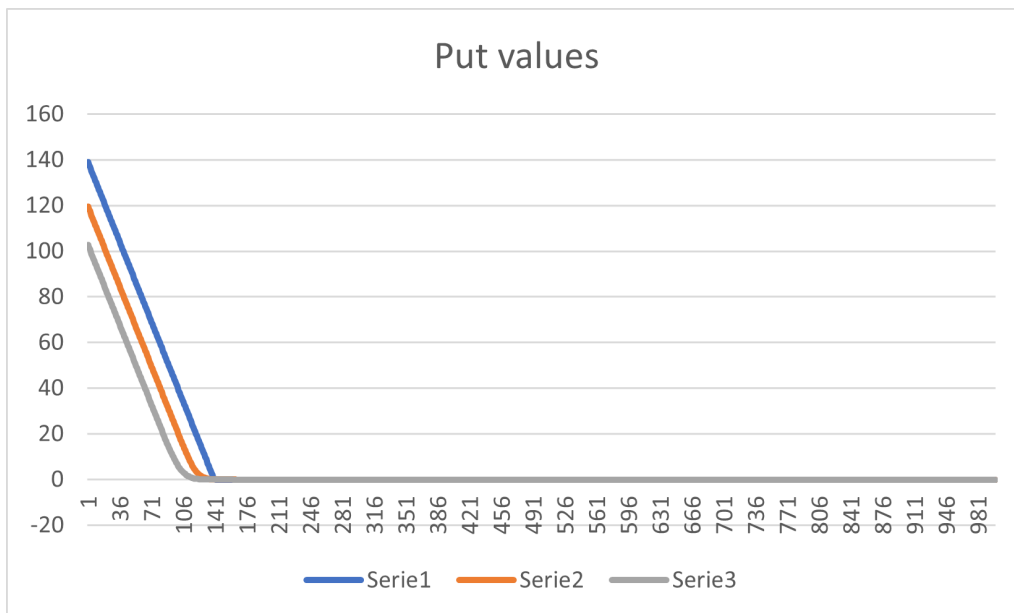


Figure 2

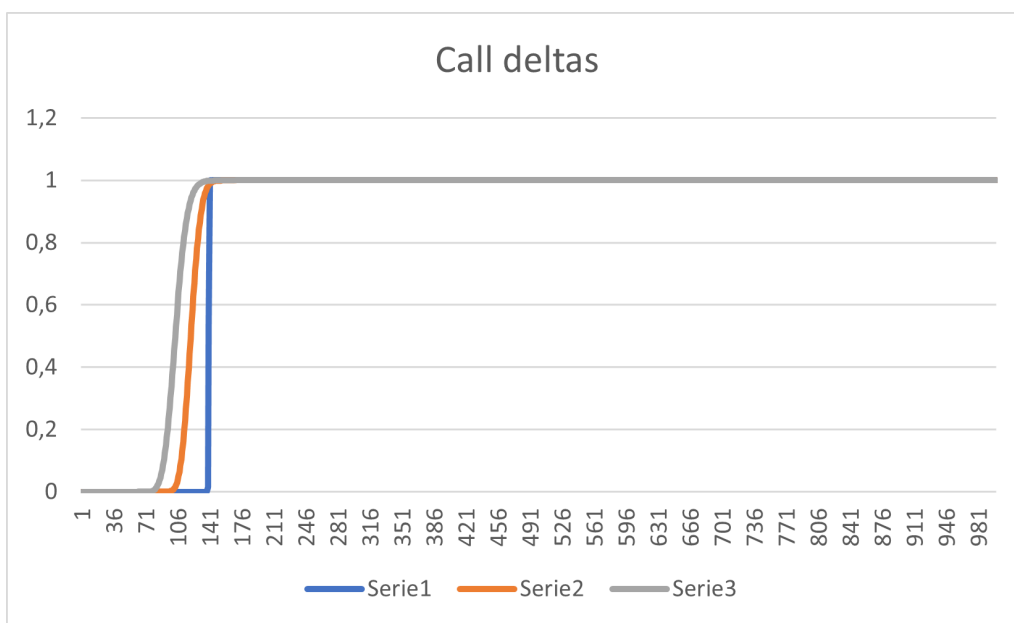


Figure 3

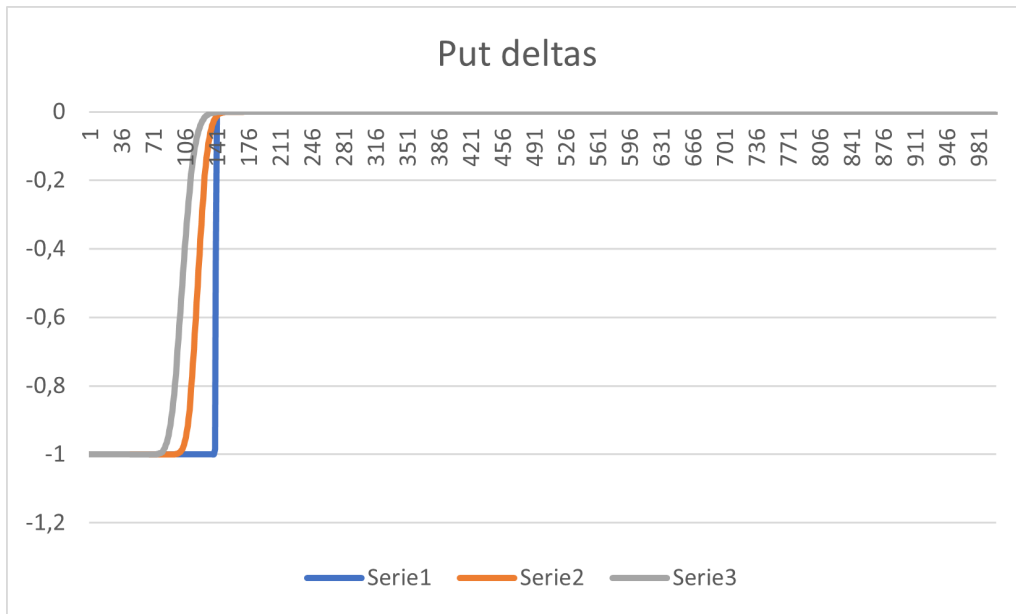


Figure 4

Call delta - put delta is always equal to 1.

zad3

Volatility changed to 20

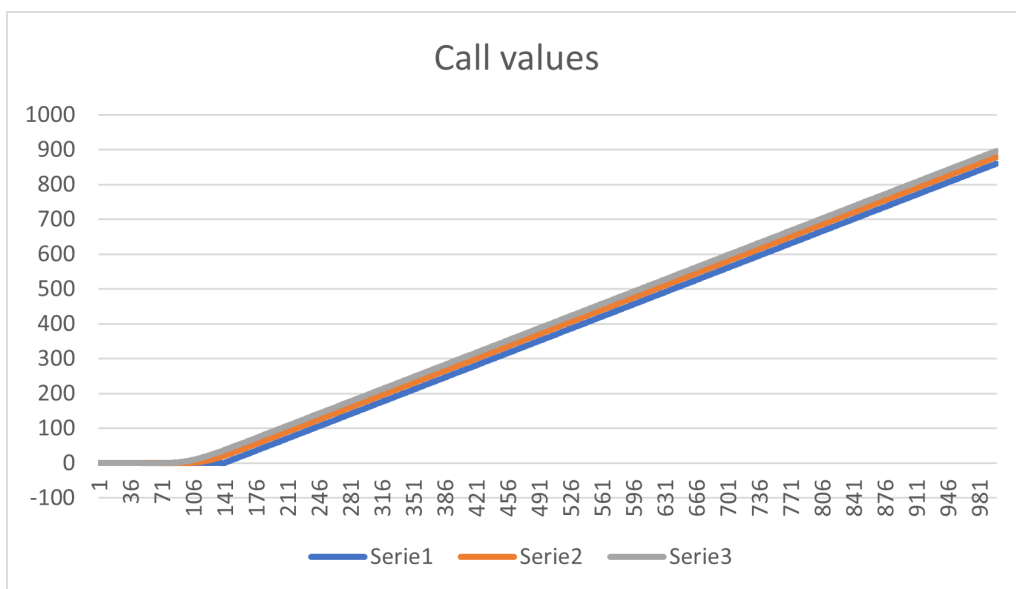


Figure 5

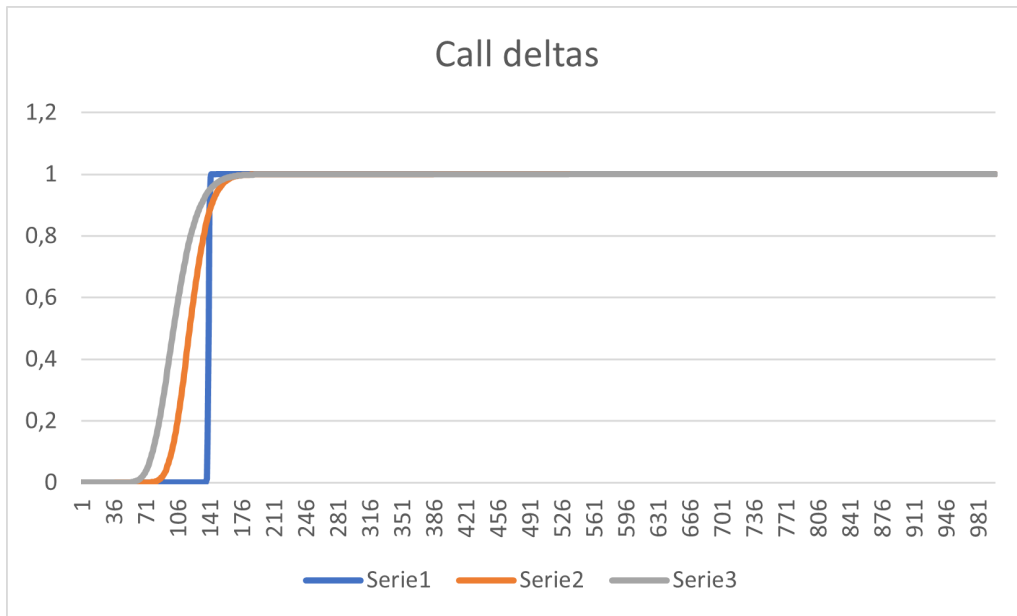


Figure 6