

Review for 11-29-16

Put - Call Parity

$$C(K,T) - P(K,T) = V^T(F_{0,T} - K)$$

$$S_0 + P(K,T) = V^T K + C(K,T)$$

Strategic Combination Shapes & Their Purpose

Bull Spread

Bear Spread

Box Spread

Collar

Straddle

Strangle

Butterfly Spread

Ratio Spread