

## **Stats 3520b**

### **Topics be covered for the week of 20–24 January 2014**

For this week, we aim to cover the following theories/concepts:

1. Speculation using options

#### **Determination of forward and futures prices**

2. Recap of forward prices for a security that provides a known dividend yield
3. Valuing forward contracts
4. Stock index futures
5. Forwards and futures contracts on currencies
6. Futures on commodities
7. The cost of carry
8. Futures options
9. Factors affecting option prices