Math finance review Exam 2

1.) CAPM

   i.) Portfolio, Risk, Return

   ii.) Attainable/Feasible set

   iii.) Minimum variance portfolio, Minimu variance line

   iv.) efficient porfolio, efficient frontier

   v.) Market portfolio

   vi.) Capital market line

2.) Arbitrage

   i.) Arbitrage definition.

   ii.) First fundamental theorem of arbitrage.

3.) Forwards

   i.) Forward pricing

   ii.) with discrete/continuous dividends

   ii.) on foreign securities

4.) Options introduction

   i) European/American options

   ii.) Put/call options

   ii.) Put/Call parity: put call inequality, put call equality.

Be able to define and relate all of these terms. And of course know how to compute formulas for these terms where appropriate.