

APPLICATIONS OF ARBITRAGE THEORIES

# How to be an Arbitrageur

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COURSE: FINC-GB.3181.10 Fall 2014  
DATE: Tuesdays – November 4 – December 16, 2014  
TIME: 6:00 P.M. -9:00 P.M.

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***PLEASE NOTE: Since there are only 6 classes to this course and there are no textbooks used, it is imperative that you attend all classes.***

## SYLLABUS

### **SESSION I**

11/4/14

#### **ARBITRAGE**

Beating the Risk-Free Rate  
"Carry Markets" – Rights Arbitrage –

### **SESSION II**

11/11/14

#### **OPTIONS ARBITRAGE – SHORT SALES**

Forward Conversions - Delta-Math and mechanics of short-selling -  
Embedded Options - Convertible Arbitrage

### **SESSION III**

11/18/14

#### **INDEX ARBITRAGE**

Trading Triggers – Index Funds – Tailing - Triple Witching Hour  
Predictability

### **SESSION IV**

12/2/14

#### **BUSINESS HEDGING**

Origins of the Futures Market- Airlines and Jet Fuel-  
Gold Producers - Options vs. Forwards

### **SESSION V**

12/9/14

#### **TAX ARBITRAGE**

Converting one type of income into a more favorably taxed type of income

### **SESSION VI**

12/16/14

#### **HEDGED INVESTMENT STRATEGIES**

Logically "Placing Your Bets"  
Long/Short Strategies - Market Neutral Strategies  
Closed-End Fund Arbitrage  
Review of transactions and preparation for take home final