

APPLICATIONS OF ARBITRAGE THEORIES

How to be an Arbitrageur

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COURSE: FINC-GB.3181.30 Spring 2015
DATE: Mondays – February 9– March 30, 2015
TIME: 6:00 P.M. -9:00 P.M.

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

2/9/15

ARBITRAGE

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

SESSION II

2/23/15

OPTIONS ARBITRAGE – SHORT SALES

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

SESSION III

3/2/15

INDEX ARBITRAGE

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

SESSION IV

3/9/15

BUSINESS HEDGING

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

SESSION V

3/23/15

TAX ARBITRAGE

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

SESSION VI

3/30/15

HEDGED INVESTMENT STRATEGIES

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