

# Arbitrage Trading Strategies

Leonard N. Stern School of Business  
New York University

**Professor Robert N. Gordon**  
**Telephone: 212.418.6000**  
**E-mail: bob@twenty-first.com**

COURSE: FINC-GB.3181.10 Fall 2017  
DATE: Tuesdays November 7, 2017 – December 19, 2017  
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**

11/7/2017

#### **ARBITRAGE**

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

### **SESSION II**

11/14/2017

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

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

### **SESSION III**

11/21/2017

#### **INDEX ARBITRAGE**

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

### **SESSION IV**

11/28/2017

#### **BUSINESS HEDGING**

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

#### **REGULATORY ARBITRAGE**

Usury Laws  
Capital Rules  
Economic Substitutes

### **SESSION V**

12/5/2017

#### **TAX ARBITRAGE**

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

### **SESSION VI**

12/19/2017

#### **HEDGED INVESTMENT STRATEGIES**

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