

## Exercises on Finance

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### Exercise 1:

Compute the  $S$ - and the  $C$ -tree for

$$n = 3 \quad K = 190 \quad r = 0.01 \quad r^+ = 0.1 \quad r^- = -0.1 \quad S_0 = 200$$

### Exercise 2:

Compute  $\frac{-\partial P}{\partial(T-t)}$  and  $\frac{\partial P}{\partial r}$