WILEY FINANCE

$$c = Se^{-qT}N(d_1) - Ke^{-rT}N(d_2)$$

$$p = Ke^{-rT}N(-d_2) - Se^{-qT}N(-d_1)$$

Financial Modeling

Using Excel and VBA

$$d_2 = \frac{\ln(S/K) + (r - q - \sigma^2/2)T}{\sigma\sqrt{T}} = d_1 - \sigma\sqrt{T}$$

$$\ln\frac{S_T}{S} \sim \phi\left[\left(\mu - \frac{\sigma^2}{2}\right)T, \sigma\sqrt{T}\right]$$

CHANDAN SENGUPTA