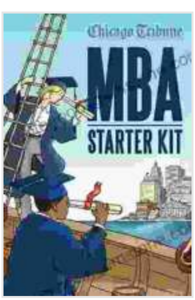
Your Guide To Options Finances And Value In Master Of Business Administration

Options are a type of derivative contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specified price on or before a certain date. Options can be used for a variety of purposes, including hedging risk, speculating on the direction of an asset's price, or generating income.

In the context of a Master of Business Administration (MBA) program, options can be a valuable tool for students who are interested in pursuing a career in finance. Options can be used to enhance returns on investments, manage risk, and speculate on the direction of the market.

This guide will provide an overview of options finances and value in the context of an MBA program. We will discuss the different types of options, how they are priced, and how they can be used to achieve investment goals.



MBA Starter Kit: Your Guide to Options, Finances and Value in a Master of Business Administration Degree in Chicago by Iman Hami

5 out of 5

Language	: English
File size	: 1062 KB
Text-to-Speech	: Enabled
Screen Reader	: Supported
Enhanced typesetting	: Enabled
Word Wise	: Enabled
Print length	: 58 pages

There are two main types of options: calls and puts. A call option gives the buyer the right to buy an underlying asset at a specified price on or before a certain date. A put option gives the buyer the right to sell an underlying asset at a specified price on or before a certain date.

Options can be traded on a variety of exchanges, including the Chicago Mercantile Exchange (CME) and the Chicago Board Options Exchange (CBOE). Options can also be traded over-the-counter (OTC).

The price of an option is determined by a number of factors, including the current price of the underlying asset, the strike price of the option, the time to expiration, and the volatility of the underlying asset.

The strike price is the price at which the buyer can buy or sell the underlying asset. The time to expiration is the amount of time remaining until the option expires. Volatility is a measure of the risk associated with an asset.

Options can be used for a variety of purposes, including:

- **Hedging risk:** Options can be used to hedge risk by protecting against losses on an investment. For example, an investor who owns a stock can buy a put option to protect against the risk of the stock price falling.
- **Speculating on the direction of an asset's price:** Options can be used to speculate on the direction of an asset's price. For example, an

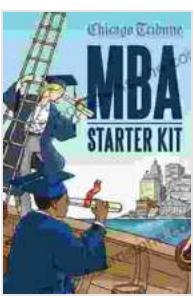
investor who believes that the price of a stock is going to rise can buy a call option.

- **Generating income:** Options can be used to generate income by selling premium. For example, an investor who owns a stock can sell a covered call option to generate income.

Options can be a valuable tool for MBA students who are interested in pursuing a career in finance. Options can be used to enhance returns on investments, manage risk, and speculate on the direction of the market.

This guide has provided an overview of options finances and value in the context of an MBA program. We have discussed the different types of options, how they are priced, and how they can be used to achieve investment goals.

For more information on options, please consult a financial advisor.



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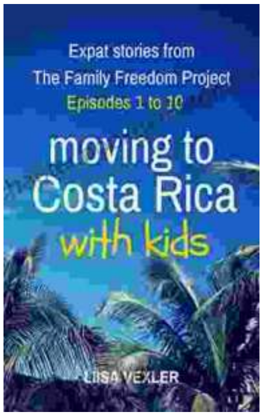

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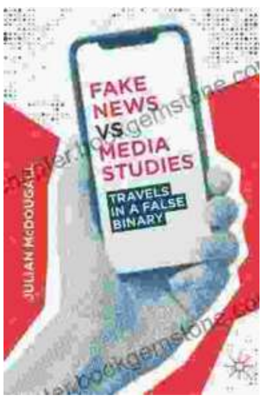

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