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Derivatives in Dynamic Markets Amy S. K. Wong

Derivatives in Dynamic Markets

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Financial markets can be very dynamic. Many theoretical financial models are based on constant parameters, but financial market conditions are constantly changing. Therefore, this thesis examines the impact of time-varying market parameters on financial derivatives. The research focuses on the following three topics. The first part of the research examines the impact of different time-varying correlation scenarios on basket option pricing, hedging and risk management. The second part focuses on the implications of time-varying market liquidity for static hedging of barrier options. The last part contains a comparative study of time-varying correlation models.

Amy S. K. Wong has obtained a MSc in Econometrics and Operations Research (cum laude) and a Mphil in Economics. She was affiliated with the Tinbergen Institute and the Econometric Institute at Erasmus University Rotterdam during her PhD studies. Her academic work has been published in an international journal.

