1. Someone has submitted a limit order to sell at $50.36. If you submit a market order to buy, this is the price you will pay.

\[ r(\frac{1}{2}) = (\frac{0.35}{12} + \frac{1}{2})(1 + r(\frac{1}{2}))^6 - 1 \]

3. Larger and slower.

4. Increase profit, reduce cash flow.

5. The returns tend to move together. Or, when the return on one is above its mean, the other tends to be as well.

6. Expected return on portfolio, risk-free rate, standard deviation on portfolio.

\[ (+2.06 + (60 - 65)) \times 100 \]

7. Rises, increase in expected return offsets.

8. That manager believes the stock is overvalued.

9. Risk-free bond + short put on the firm's assets.